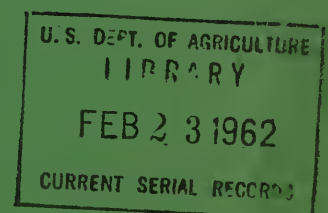


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BUDGET ESTIMATES
FOR THE
UNITED STATES
DEPARTMENT OF AGRICULTURE
FOR THE FISCAL YEAR ENDING
JUNE 30, 1963



A SEPARATE FROM THE BUDGET OF
THE UNITED STATES GOVERNMENT
1963

BUDGET ESTIMATES
FOR THE
UNITED STATES
DEPARTMENT OF AGRICULTURE

FOR THE FISCAL YEAR ENDING
JUNE 30, 1963

A Separate from the Budget of the United States Government
1963



UNITED STATES
GOVERNMENT PRINTING OFFICE
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TABLE OF CONTENTS

	Page
MATERIAL FROM THE 1963 BUDGET:	
PART 1:	
Budget Message of the President.....	7
PART 2—SUMMARY TABLES:	
Table 1—Summary of budget receipts and expenditures.....	33
Table 2—Summary of new obligational authority by agency.....	34
Table 3—Summary of budget expenditures by agency.....	35
Table 4—Summary of trust funds.....	36
Table 5—Receipts from and payments to the public.....	37
Table 6—Federal activities in the national income accounts.....	38
Table 7—Investment, operating, and other budget expenditures.....	39
Table 8—The public debt.....	40
Table 9—Civilian employment in the Executive Branch.....	41
Table 10—Budget totals and public debt, 1789–1963.....	42
PART 3—BUDGET RECEIPTS:	
Analysis of receipts by source.....	44
Table 11—Sources of budget receipts.....	49
Table 12—Budget receipts, 1933–60.....	53
PART 4—THE FEDERAL PROGRAM BY FUNCTIONS:	
Agriculture and agricultural resources.....	73
Budget expenditures, 1953–60 (table 14).....	110
Commerce and transportation.....	81
Education.....	93
General government.....	100
Health, labor, and welfare.....	88
Housing and community development.....	85
Interest.....	99
International affairs and finance.....	67
National defense.....	56
Natural resources.....	77
New obligational authority and expenditures by function and agency (table 13).....	103
Space research and technology.....	71
Veterans benefits and services.....	96
PART 5—THE FEDERAL PROGRAM BY AGENCY (Analysis of new obligational authority and expenditures by agency).....	139
MATERIAL FROM THE 1963 BUDGET APPENDIX:	
Aircraft.....	1153
Estimates of current appropriations in detail:	
Agricultural Marketing Service.....	103
Agricultural Research Service.....	83
Agricultural Stabilization and Conservation Service.....	114
Commodity Credit Corporation.....	124
Commodity Exchange Authority.....	114
Cooperative State Experiment Station Service.....	89
Economic Research Service.....	99
Extension Service.....	90
Farmer Cooperative Service.....	91
Farmers Home Administration.....	143
Federal Crop Insurance Corporation.....	138
Foreign Agricultural Service.....	111
Forest Service.....	158
General Administration.....	155
General Counsel, Office of the.....	151
General provisions:	
Department of Agriculture.....	168
Forest Service.....	164
Information, Office of.....	152
Library, National Agricultural.....	154
Removal of Surplus Agricultural Commodities.....	109
Rural Electrification Administration.....	141
School lunch program.....	106
Soil Conservation Service.....	92
Special Export Programs (Foreign Assistance).....	121
Special Foreign Currency Programs:	
Agricultural Research Service.....	85
Foreign Agricultural Service.....	112
Statistical Reporting Service.....	101
Personnel compensation, detail of.....	959, 1123
Trust funds.....	881
Unexpended balances, analysis of.....	169
Vehicles, motor.....	1128

BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I present with this message my budget recommendations for the fiscal year 1963, beginning next July 1.

This is the first complete budget of this administration. It has been prepared with two main objectives in mind:

- First, to carry forward efficiently the activities—ranging from defense to postal services, from oceanographic research to space exploration—which by national consensus have been assigned to the Federal Government to execute;
- Second, to achieve a financial plan—a relationship between receipts and expenditures—which will contribute to economic growth, high employment, and price stability in our national economy.

Budget expenditures for fiscal 1963 will total \$92.5 billion under my recommendations—an increase of \$3.4 billion over the amount estimated for the present fiscal year. More than three-quarters of the increase is accounted for by national security and space activities, and the bulk of the remainder by fixed interest charges.

Because of the increasing requirements for national security, I have applied strict standards of urgency in reviewing proposed expenditures in this budget. Many desirable new projects and activities are being deferred. I am, moreover, recommending legislation which will reduce certain budgetary outlays, such as the postal deficit and the cost of farm price and production adjustments.

It would not, of course, be sensible to defer expenditures which are of great significance to the growth and strength of the Nation. This budget therefore includes a number of increases in existing programs and some new proposals of high priority—such as improvements in education and scientific research, retraining the unemployed and providing young people with greater employment opportunities, and aid to urban mass transportation.

Budget receipts in fiscal year 1963 are estimated to total \$93 billion, an increase of \$10.9 billion over the recession-affected level of the present fiscal year. These receipts estimates are based on the expectation that the brisk recovery from last year's recession will continue through the coming year and beyond, carrying the gross national product during calendar 1962 to a record \$570 billion.

The administrative budget for 1963 thus shows a modest surplus of about \$500 million. Federal accounts on the basis of the consolidated cash statement—combining the administrative budget with other Federal activities, mainly the social security, highway, and other trust funds—show an estimated excess of receipts from the public of \$1.8 billion over payments to the public. And in the terms in which our national income accounts are calculated—using accrued rather than cash receipts and expenditures, and including only transactions directly affecting production and income—the Federal surplus is estimated at \$4.4 billion.

By all three measures in current use, therefore, the Federal Government is expected to operate in 1963 with some surplus. This is the policy which seems appropriate at the present time. The economy is moving strongly forward, with employment and incomes rising. The prospects are favorable for further rises in the coming year in private expenditures, both consumption and investment. To plan a deficit under such circumstances would increase the risk of inflationary

SUMMARY OF FEDERAL FINANCES

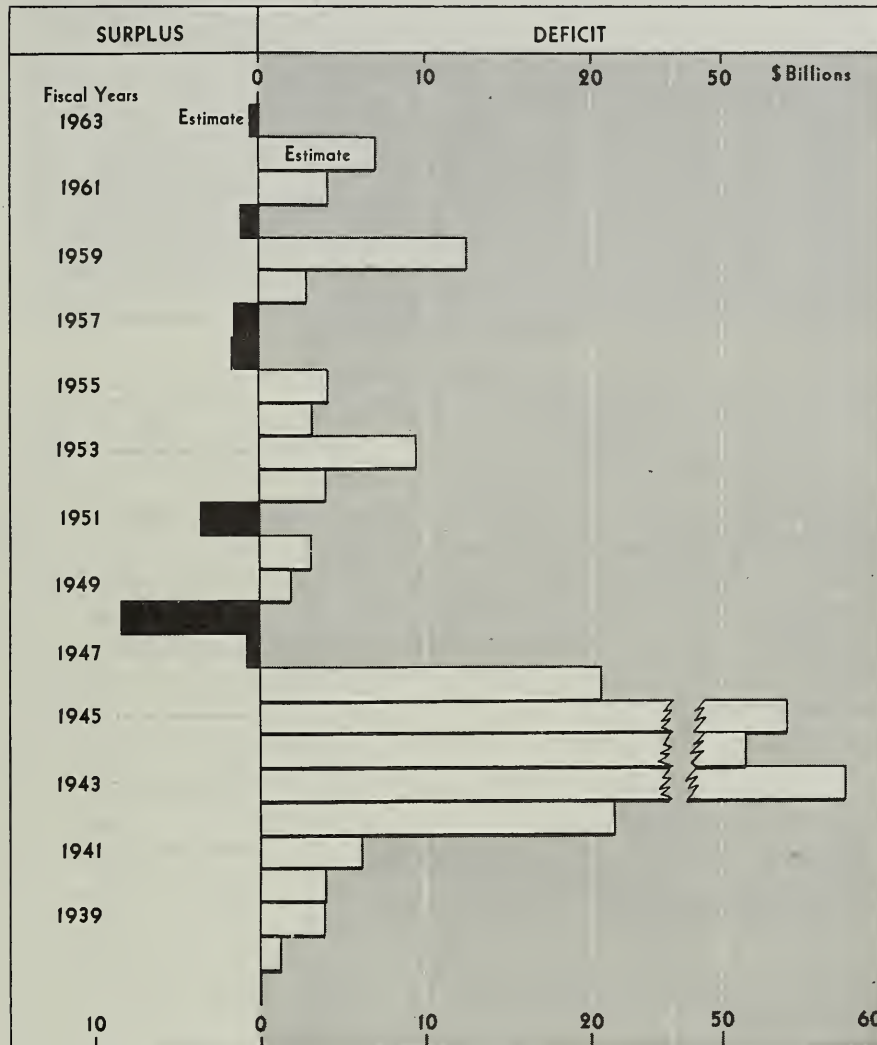
[Fiscal years. In billions]

Description	1959 actual	1960 actual	1961 actual	1962 esti- mate	1963 esti- mate
Administrative budget:					
Budget receipts.....	\$67.9	\$77.8	\$77.7	\$82.1	\$93.0
Budget expenditures.....	80.3	76.5	81.5	89.1	92.5
Budget surplus (+) or deficit (—).....	—12.4	+1.2	—3.9	—7.0	+0.5
Consolidated cash statement:					
Receipts from the public.....	81.7	95.1	97.2	102.6	116.6
Payments to the public.....	94.8	94.3	99.5	111.1	114.8
Excess of receipts (+) or payments (—).....	—13.1	+0.8	—2.3	—8.5	+1.8
National income accounts—Federal sector:					
Receipts.....	85.4	94.1	94.8	105.6	116.3
Expenditures.....	90.2	91.9	97.0	106.1	111.9
Surplus (+) or deficit (—).....	—4.8	+2.2	—2.2	—0.5	+4.4
New obligatory authority (administrative budget)	81.4	79.6	86.7	95.7	99.3
Public debt, end of year.....	284.7	286.3	289.0	295.4	294.9

pressures, damaging alike to our domestic economy and to our international balance of payments. On the other hand, we are still far short of full capacity use of plant and manpower. To plan a larger surplus would risk choking off economic recovery and contributing to a premature downturn.

Under present economic circumstances, therefore, a moderate surplus of the magnitude projected above is the best national policy, considering all of our needs and objectives.

Budget Surplus or Deficit



BUDGET EXPENDITURES

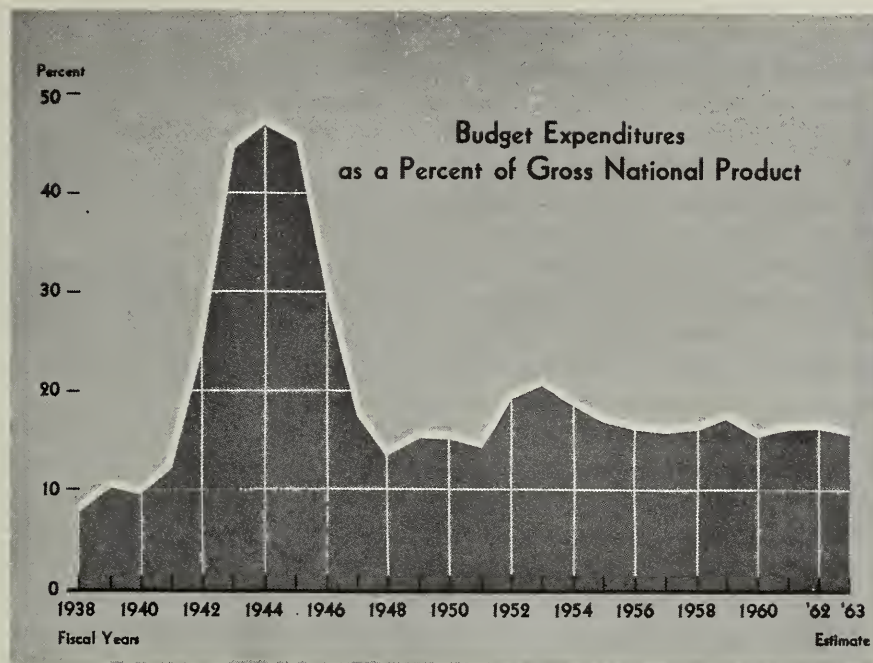
The total of budget expenditures—estimated at \$92.5 billion in fiscal 1963—is determined in large measure by the necessary but costly programs designed to achieve our national security and international objectives in the current world situation. Expenditures for national defense, international, and space programs account for more than three-fifths of total 1963 budget outlays, and for more than three-fourths of the estimated increase in expenditures in 1963 as compared to 1962. Indeed, apart from the expected increase in interest payments, expenditures for the so-called “domestic civil” functions of government have been held virtually stable between 1962 and 1963.

Within this total there are important shifts in direction and emphasis. Expenditures for agricultural programs, for the postal deficit, and for temporary extended unemployment compensation are expected to drop. The fact that funds for these purposes can be reduced permits us to make increases in other important areas—notably education, health, housing, and natural resource development—without raising significantly total expenditures for domestic civil functions.

BUDGET EXPENDITURES

[Fiscal years. In billions]

Function	1961 actual	1962 estimate	1963 estimate
National defense.....	\$47.5	\$51.2	\$52.7
International affairs and finance.....	2.5	2.9	3.0
Space research and technology.....	.7	1.3	2.4
Subtotal.....	50.7	55.4	58.1
Interest.....	9.0	9.0	9.4
Domestic civil functions:			
Agriculture and agricultural resources.....	5.2	6.3	5.8
Natural resources.....	2.0	2.1	2.3
Commerce and transportation.....	2.6	2.9	2.5
Housing and community development.....	.3	.5	.8
Health, labor, and welfare.....	4.2	4.7	5.1
Education.....	.9	1.1	1.5
Veterans benefits and services.....	5.4	5.6	5.3
General government.....	1.7	1.9	2.0
Subtotal, domestic civil functions.....	22.4	25.3	25.4
Civilian pay reform.....			.2
Allowance for contingencies.....		.1	.2
Deduct interfund transactions.....	.7	.7	.7
Total budget expenditures.....	81.5	89.1	92.5



National defense.—This budget carries forward the policies instituted within the past 12 months to strengthen our military forces and to increase the flexibility with which they can be controlled and applied. The key elements in our defense program include: a strategic offensive force which would survive and respond overwhelmingly after a massive nuclear attack; a command and control system which would survive and direct the response; an improved anti-bomber defense system; a civil defense program which would help to protect an important proportion of our population from the perils of nuclear fallout; combat-ready limited war forces and the air and sealift needed to move them quickly to wherever they might have to be deployed; and special forces to help our allies cope with the threat of Communist-sponsored insurrection and subversion.

Increases in expenditures for the Nation's defense are largely responsible for the rise in the budget of this administration compared to that of its predecessor. For fiscal years 1962 and 1963, expenditures for the military functions of the Department of Defense are estimated at about \$9 billion higher, and new obligational authority at \$12 to \$15 billion more, than would have been required to carry forward the program as it stood a year ago.

For the coming year, the budget provides for further significant increases in the capabilities of our strategic forces, including additional Minuteman missiles and Polaris submarines. These forces

are large and versatile enough to survive any attack which could be launched against us today and strike back decisively. The programs proposed in this budget are designed to assure that we will continue to have this capability in the future. This assurance is based on an exhaustive analysis of all the available data on Soviet military forces and the strengths and vulnerabilities of our own forces under a wide range of possible contingencies.

To strengthen the defenses of the North American Continent, this budget proposes additional measures to increase the effectiveness of our anti-bomber defense system, continued efforts to improve our warning of ballistic missile attack, and further research and development at a maximum rate on anti-missile defense possibilities.

The budget for the current year provides for identifying and marking available civilian shelter space for approximately 50 million people. This phase of the civil defense program is proceeding ahead of schedule. For 1963, I am requesting nearly \$700 million for civil defense activities of the Department of Defense, including \$460 million for a new cost-sharing program with State and local governments and private organizations to provide shelters in selected community buildings, such as schools and hospitals.

Although a global nuclear war poses the gravest threat to our survival, it is not the most probable form of conflict as long as we maintain the forces needed to make a nuclear war disastrous to any foe. Military aggression on a lesser scale is far more likely. If we are to retain for ourselves a choice other than a nuclear holocaust or retreat, we must increase considerably our conventional forces. This is a task we share with our free world allies.

The budget recommendations for 1963 are designed to strengthen our conventional forces substantially. I am proposing:

- An increase in the number of regular Army divisions from 14 to 16. The two new divisions would replace the two National Guard divisions now on active duty and scheduled to return to reserve status prior to October 1962.
- A substantial increase in the number of regular tactical fighter units of the Air Force and in the procurement of new fighter and reconnaissance aircraft. These steps will provide more effective air support for our ground forces.
- Revision of the programs for organization and training of the reserve components so they will be better adapted and better prepared to serve in any emergency which requires mobilization.
- Significant increases in procurement for all of our conventional forces. These forces must be equipped and provisioned so they are ready to fight a limited war for a protracted period of time anywhere in the world.

International affairs and finance.—A significant change has taken place in our international assistance programs in recent years. Military assistance expenditures are declining to an estimated \$1.4 billion in 1963 compared with \$2.2 billion 5 years earlier. The more industrialized European countries have almost completely taken over the cost of their own armament. In less developed countries, the military assistance program continues to provide essential maintenance, training, and selective modernization of equipment, with increased emphasis on internal security, including anti-guerrilla warfare.

On the other hand, expenditures for economic and financial assistance to the developing nations of the world have been increasing and are estimated at \$2.5 billion in 1963. These expenditures, largely in the form of loans, will rise further in later years as development loan commitments being made currently are drawn upon. A corresponding increase is taking place in the contributions of other industrialized countries.

The new Agency for International Development has been providing needed leadership in coordinating the various elements of our foreign aid programs throughout the world. A consistent effort is being made to relate military and economic assistance to the overall capabilities and needs of recipient countries to achieve economic growth and sustain adequate military strength. To make our assistance more effective, increasing emphasis is being placed on self-help measures and necessary reforms in these countries. The authority provided last year to make long-term loan commitments to developing countries will be of invaluable assistance to orderly long-range planning. Efforts will also be made to foster more effectively the contribution of private enterprise to development, through such means as investment guarantees and assistance for surveys of investment opportunities.

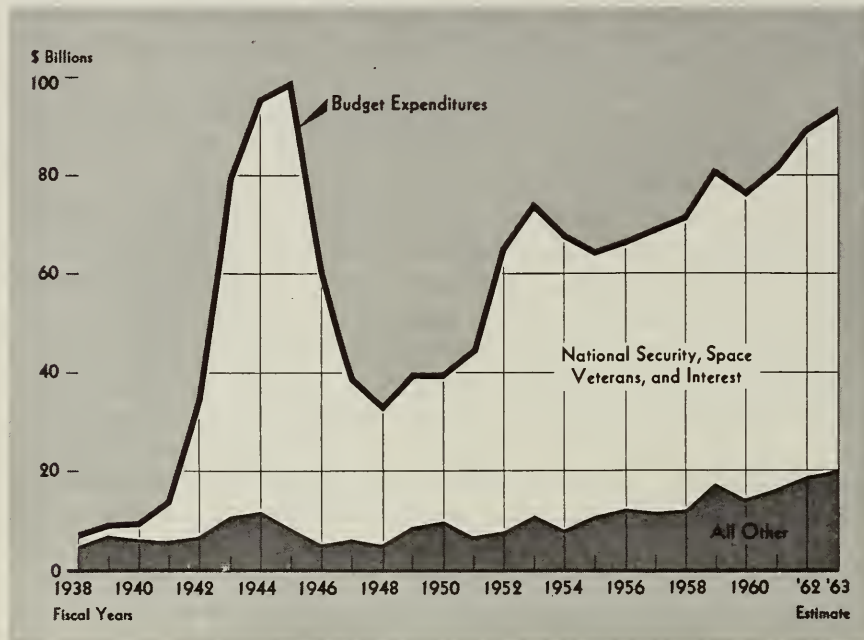
In August 1961, the United States formally joined with its neighbors to the south in the establishment of the Alliance for Progress, an historic cooperative effort to speed the economic and social development of the American Republics. For their part, the Latin American countries agreed to undertake a strenuous program of social and economic reform and development through this decade. As this program of reform and development proceeds, the United States is pledged to help. To this end, I am proposing a special long-term authorization for \$3 billion of aid to the Alliance for Progress within the next 4 years. In addition, substantial continued development loans are expected from the Export-Import Bank and from U.S. funds being administered by the Inter-American Development Bank. These, together with the continued flow of agricultural commodities under the Food for Peace program, will mean support for the Alliance for Progress in 1963 substantially exceeding \$1 billion.

Space research and technology.—Last year I proposed and the Congress agreed that this Nation should embark on a greater effort to explore and make use of the space environment. This greater effort will result in increased expenditures in 1962 and 1963, combined, of about \$1.1 billion above what they would have been under the policies of the preceding administration; measured in terms of new obligational authority, the increase is \$2.4 billion for the 2 years. With this increase in funds there has been a major stepup in the programs of the National Aeronautics and Space Administration in such fields as communications and meteorology and in the most dramatic effort of all—mastery of space symbolized by an attempt to send a man to the moon and back safely to earth.

Action is being taken to develop the complex Apollo spacecraft in which the manned lunar flights will be made, and to develop the large rockets required to boost the spacecraft to the moon. The techniques of manned space flight, particularly those of long-term flight and of rendezvous between two spacecraft in earth orbit, are being studied both in ground research and in new flight programs.

Our space program has far broader significance, however, than the achievement of manned space flight. The research effort connected with the space program—and particularly the tremendous techno-

Composition of Budget Expenditures



NOTE: "National Security" includes National Defense and International

logical advances necessary to permit space flight—will have great impact in increasing the rate of technical progress throughout the economy.

Domestic civil functions.—Despite the necessary heavy emphasis we are giving to defense, international, and space activities, the budget reflects many important proposals to strengthen our national economy and society. It has been possible to include these proposals without any substantial increase in the total cost of domestic civil functions mainly because of proposed reductions in postal and agricultural expenditures. Some of the more important proposals in domestic civil programs are mentioned below.

Agriculture and agricultural resources.—In the development of farm programs we are striving to make effective use of American agricultural abundance, to adjust farm production to bring it in line with domestic and export requirements, and to maintain and increase income for those who are engaged in farming. The steps taken thus far, including the temporary wheat and feed grain legislation enacted in the last session of the Congress, contributed significantly to the rise in farm income last year and to some reduction—the first in 9 years—in surplus stocks. However, new long-range legislation is needed to permit further adaptation of our farm programs to the rapidly increasing productive efficiency in agriculture and to avoid continuing high budgetary costs. The reduction in agricultural expenditures in this budget (from \$6.3 billion in 1962 to \$5.8 billion in 1963) reflects the proposals to this end which I shall be presenting to the Congress in a special message.

The 1963 budget also provides for expansion of the food stamp plan into additional pilot areas, and for a substantial increase in Rural Electrification Administration loan funds—to permit financing of additional generation and transmission facilities where that is necessary. The adequacy of the funds recommended will depend on the willingness of other power suppliers to meet the requirements of the rural electric cooperatives on a reasonable basis.

Natural resources.—Estimated expenditures of \$2.3 billion in this budget for the conservation and development of our natural resources are higher than in any previous year.

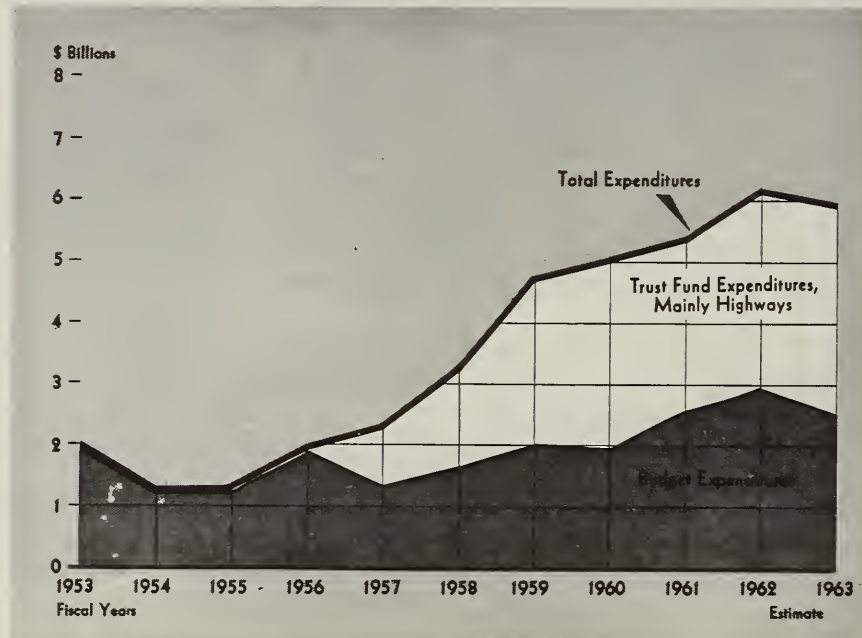
The 1963 budget makes provision for the Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority to start construction on 43 new water resources projects with an estimated total Federal cost of \$600 million. The long-range programs for the national parks and forests are also being strengthened.

One of our most pressing problems is the adequate provision of outdoor recreational facilities to meet the needs of our expanding population. The Federal Government, State and local agencies, and private groups must all share in the solution. By the end of this month the comprehensive report of the Outdoor Recreation Resources Review Commission is expected to be available. The Secretary of the Interior, at my request, is preparing a plan for the Federal Government to meet its share of the responsibility for providing outdoor recreational opportunities, including those related to fish and wildlife.

Commerce and transportation.—Budget expenditures for commerce and transportation programs are estimated to decline from \$2.9 billion in 1962 to \$2.5 billion in 1963. This decline reflects mainly a drop of \$592 million for the postal service, based on my legislative proposal to increase postal rates to a level that will cover the costs of postal operations, except for those services properly charged to the general taxpayer.

Outlays for the Federal-aid highway program are financed almost entirely through the highway trust fund and are not included in the budget total. Combined, Federal budget and trust fund expenditures for commerce and transportation programs in 1963 will amount to almost \$6 billion.

Commerce and Transportation

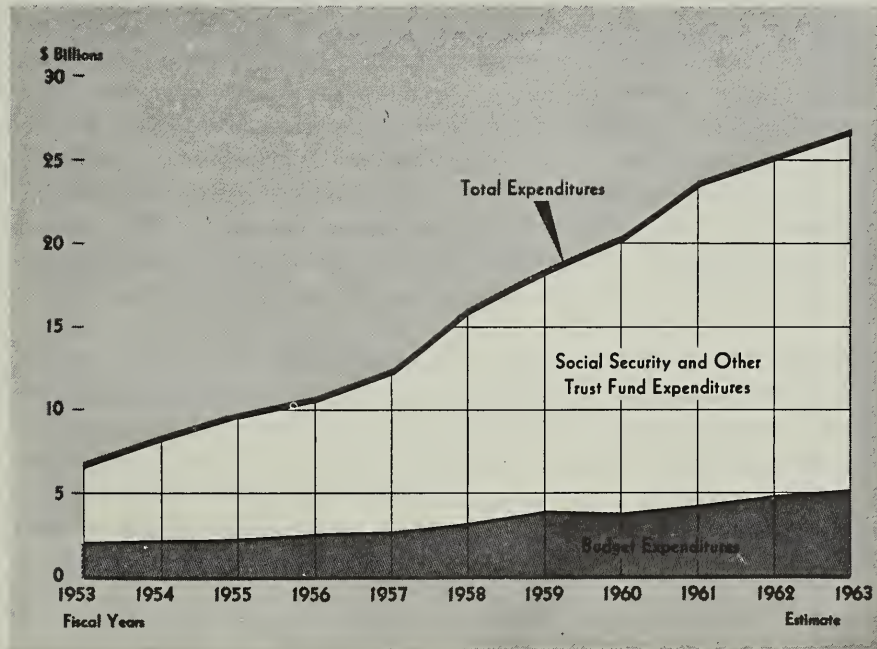


Substantially increased expenditures are provided in the 1963 budget for the new program to assist the redevelopment of areas with persistent unemployment and underemployment and for the expanding development and operation of the Federal airways system.

Housing and community development.—The long strides forward in housing and community development programs authorized by the Housing Act of 1961 are making it possible to accelerate progress in renewing our cities, in financing needed public facilities, in preserving open space, and in supplying housing accommodations, both public and private, within the means of low- and middle-income families and elderly people. The major new proposal I expect to make in this field will extend the authority for Federal aids to urban mass transportation.

Health, labor, and welfare.—Budget expenditures for health, labor, and welfare programs are estimated at \$5.1 billion and trust fund expenditures at \$21.6 billion in 1963. The budget includes increased funds for health research and for a major strengthening of the programs of the Public Health Service, the Office of Vocational Rehabilitation, and the Food and Drug Administration. The budget and trust accounts also reflect the legislative recommendations which are pending in the Congress to provide a substantial increase in aid for medical education and to enact health insurance for the aged through social security.

Health, Labor, and Welfare



I have given particular attention in this budget to strengthening the labor and manpower functions of the Department of Labor and related agencies. In addition to increased funds for the United States Employment Service and for other existing Federal programs, the budget includes funds for the urgently needed legislation providing for Federal aid for training or retraining unemployed workers, and for the training of our young people through an experimental youth employment opportunities program.

Many American families rely for help and for a new start in life upon the public assistance programs. Yet these programs frequently lack both the services and the means to discharge their purpose constructively. This budget includes substantial increases for public assistance. I am also proposing a significant modernization and strengthening of the welfare programs to emphasize those services which can help restore families to self-sufficiency.

Education.—Expenditures for existing and proposed education programs are estimated to be \$1.5 billion in 1963, an increase of \$327 million over 1962. A strong educational system providing ready access for all to high quality free public elementary and secondary schools is indispensable in our democratic society. Moreover, able students should not be denied a higher education because they cannot pay expenses or because their community or State cannot afford to provide good college facilities. This budget therefore includes funds for the legislative recommendations pending before the Congress to provide loans for the construction of college academic facilities and funds for college scholarships, and assistance to public elementary and secondary education through grants for the construction of classrooms and for teachers' salaries. The budget also includes funds for a new program of financial aid to improve the quality of education by such means as teacher training institutes. Continuing our policy of building the research effort of the Nation, funds are recommended for the National Science Foundation to expand support for basic research and the construction of research facilities, particularly at colleges and universities, and to strengthen programs in science education.

Veterans benefits and services.—Our first concern in veterans programs is that adequate benefits be provided for those disabled in the service of their country. The last increase in compensation rates for service-disabled veterans was enacted in 1957. To offset increases in the cost of living since that time, I again recommend that the Congress enact legislation to establish higher rates, particularly for the severely disabled. The 1963 budget provides \$64 million for this proposal.

NEW OBLIGATIONAL AUTHORITY

Before Federal funds can be spent, the Congress must enact authority for each agency to incur financial obligations. For the current year, it now appears that \$3.8 billion of new obligational authority over the amount already enacted will be required. Of this amount, \$2 billion represents standby authority for lending in case of need to the International Monetary Fund—in accordance with the recently concluded agreement under which other countries will make available twice this amount of standby authority. This will make a total of \$95.7 billion of new obligational authority for fiscal 1962.

For 1963, my recommendations for new obligational authority total \$99.3 billion. This includes substantial sums needed for forward funding of programs—such as those of the Department of Defense and the National Aeronautics and Space Administration—under which commitments are made in one year and expenditures often occur in later years.

BUDGET RECEIPTS

The estimate of budget receipts for fiscal year 1963 rests on projections of economic recovery and growth which will be discussed in the Economic Report. In brief, the revenue estimates are based on the assumption that the gross national product will rise from \$521 billion in the calendar year 1961 to \$570 billion in calendar 1962. At this level of output, corporate profits in calendar 1962 would be about \$56.5 billion and personal income about \$448 billion. These figures do not reflect the additional stimulus which would be given to investment and incomes in the economy by the investment tax credit now pending before the Congress.

Since the spring of calendar year 1961, the average gain in gross national product has been about $2\frac{1}{2}\%$ per quarter. The economic assumptions underlying the budget estimates will be realized with a somewhat more modest rate of gain of approximately 2% per quarter. This pace of advance would reduce the rate of unemployment to approximately 4% of the civilian labor force by the end of fiscal 1963.

There are, of course, uncertainties in any estimates of economic developments so far ahead. If private demand gains greater strength than we now foresee and the current expansion accelerates, there would be a larger Federal surplus, which would be a valuable means of restraining potential inflationary pressures. If, on the other hand, the economic recovery unexpectedly halts or is reversed, revenues would fall below the current estimates and a deficit would inevitably result, moderating the economic slowdown.

BUDGET RECEIPTS

[Fiscal years. In billions]

Source	1961 actual	1962 estimate	1963 estimate
Individual income taxes.....	\$41.3	\$45.0	\$49.3
Corporation income taxes.....	21.0	21.3	26.6
Excise taxes.....	9.1	9.6	10.0
Estate and gift taxes.....	1.9	2.1	2.3
Customs.....	1.0	1.2	1.3
Miscellaneous receipts.....	4.1	3.5	4.2
Total.....	78.3	82.8	93.7
Deduct interfund transactions.....	.7	.7	.7
Total budget receipts.....	77.7	82.1	93.0

Aside from revenue gains based on economic expansion, there will be larger revenue collections as a result of strengthening the Internal Revenue Service with additional enforcement personnel. Collections are estimated to be increased \$300 million during 1963 because of this effort.

Tax reform proposals.—Extensive and careful consideration has already been given to the proposals enumerated in my special tax message to the Congress last April. These tax reform proposals, as I noted last year, represent a first step in improving our tax system. The House Committee on Ways and Means has made action on a similar set of recommendations its first order of business this year. I hope they will be enacted early in this session.

I particularly urge enactment of the tax credit for investment in depreciable equipment. The 8% credit as formulated by the Committee on Ways and Means, together with administrative revision of guidelines for depreciation now underway, will encourage modernization of productive equipment in private industry desirable alike to improve the Nation's potential for economic growth and the ability of our producers to compete with those abroad.

Any net reduction in fiscal 1963 revenues resulting from adoption of the investment credit is expected to be offset by additional revenues resulting from the enactment of measures to remove defects and inequities in the tax structure, including:

- Corrective legislation with respect to the tax treatment of gains on depreciable property, including both real and personal property, which would prevent abuses that now occur and permit greater flexibility in the rules for salvage value in determining depreciation.

- A system of tax withholding on dividend and interest income, needed to overcome the serious loss of revenue and the unfairness resulting from the failure of some individuals to report these types of income on their tax returns.
- Repeal of the exclusion from an individual's taxable income of the first \$50 of dividends and the credit against tax of 4% of additional dividends.
- Statutory provisions to cope with the problem of business deductions for entertainment and gifts and other expense account items.
- Legislation to eliminate unwarranted tax preferences now received by several special types of institutions. Earnings of cooperatives reflecting business activities should be currently taxed either to the cooperatives or to the patrons; special provisions now applicable to mutual fire and casualty insurance companies should be repealed; and the tax deductible reserve provisions applicable to mutual savings banks and savings and loan associations should be amended to assure nondiscriminatory taxation among competing financial institutions.
- Revision of the tax treatment of foreign income to serve the overall objective of tax neutrality between domestic and foreign operations. This requires eliminating tax deferral privileges except in less-developed countries, and tightening up on other preferences given to foreign income under existing law. These involve (a) tax haven operations, (b) taxation of foreign investment companies, (c) taxation of American citizens who are resident abroad, (d) estate tax on real property abroad, (e) computation of allowances for foreign tax credits on dividends, and (f) taxation of foreign trusts.

Extension of present tax rates.—The budget outlook for 1963 requires that the present tax rates on corporation income and certain excises be extended for another year beyond their scheduled expiration date of June 30, 1962. Existing law calls for changes which would lower the general corporation income tax rate from 52% to 47%; reduce the excise rates on distilled spirits, beers, wines, cigarettes, passenger automobiles, and automobile parts and accessories; and allow the tax on general telephone services to expire. I recommend postponement of these changes for another year to prevent a revenue loss of \$2.8 billion in 1963.

Transportation tax and user charges.—Under existing law, the 10% tax on transportation of persons is scheduled for reduction to 5% on July 1, 1962. This tax poses special problems for common carriers

which must compete with private automobiles not subject to the tax. At the same time it is clearly appropriate that passengers and shippers who benefit from special Government programs should bear a fair share of the costs of these programs.

Accordingly, I recommend that the present 10% tax as it applies to passenger transportation other than by air be repealed effective July 1, 1962. I also recommend enactment of new systems of user charges for commercial and general aviation and for transportation on inland waterways.

More specifically, I recommend that the following user charges be enacted, effective January 1, 1963, with the receipts to be retained in the general fund: (a) a 5% tax on airline tickets and on airfreight waybills; (b) a 2-cents-per-gallon tax on all fuels used in commercial air transportation, including jet fuels; and (c) a 3-cents-per-gallon tax on all fuels used in general aviation. The January 1, 1963, effective date will allow time for review by the Civil Aeronautics Board of fare adjustments that might be required by these user charges. Pending the proposed tax changes, the present 10% tax on air transportation and the 2-cents-per-gallon aviation gasoline tax should be continued until December 31, 1962.

To extend the principle of user charges to inland waterways, a tax of 2 cents per gallon should be applied to all fuels used in transportation on these waterways, effective January 1, 1963.

PUBLIC DEBT

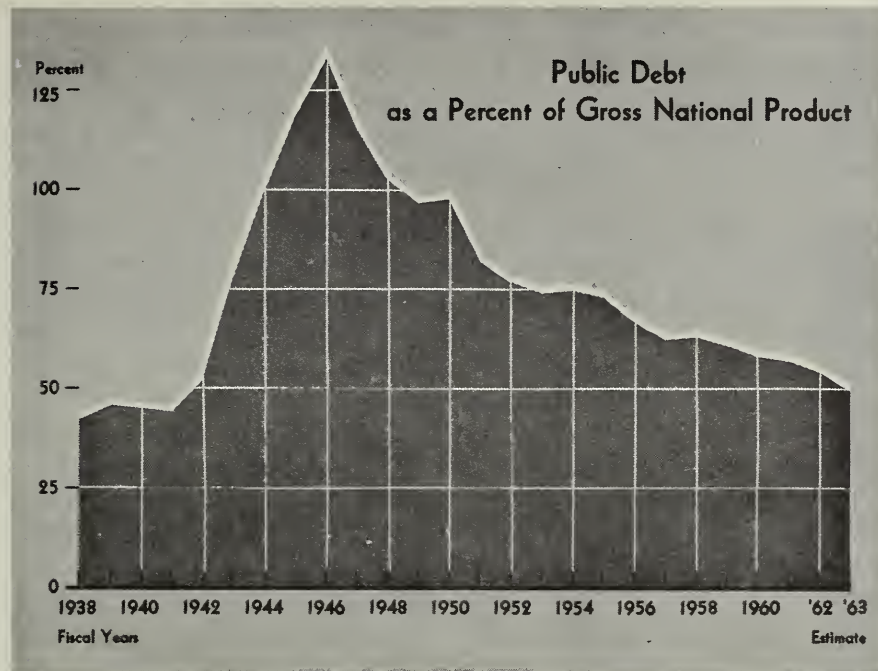
Changes in the public debt from year to year reflect mainly the amount of the budget surplus or deficit. With a budget surplus of \$500 million proposed for 1963, the public debt on June 30, 1963, is expected to be \$294.9 billion compared with \$295.4 billion at the end of the current year.

PUBLIC DEBT

[Fiscal years. In billions]

Description	1961 actual	1962 estimate	1963 estimate
Public debt at start of year	\$286.3	\$289.0	\$295.4
Change due to budget deficit (+) or surplus (−)	+3.9	+7.0	−.5
Change due to other factors ¹	−1.2	−.6
Public debt at close of year	289.0	295.4	294.9

¹ For details, see table 8 in part 2 of this document.



The limit on the public debt now stands at \$298 billion until June 30, 1962, after which the permanent ceiling of \$285 billion again becomes effective. The present temporary limit was established last June before the Berlin situation required additional defense expenditures which used up the margin of flexibility included in the \$298 billion limit.

The current limit would impose serious operating difficulties on the Treasury during the remainder of fiscal 1962. The critical stage in functioning under the present limit is upon us and the Treasury is without any margin to meet unexpected contingencies. Although the total debt will decline to \$295.4 billion after the receipt of taxes in June, customary seasonal patterns of expenditures in excess of receipts can be expected to raise the total debt above the present \$298 billion temporary limit at times during the intervening months.

Despite the expectation of budget balance for fiscal 1963 as a whole, with the debt expected to return to the \$295 billion level on June 30, 1963, seasonal requirements will temporarily raise the outstanding debt during the course of the year to nearly \$305 billion. To make the usual allowance for a margin of flexibility in fiscal 1963, and to restore immediately needed flexibility for operations over the remainder of fiscal 1962, I urge prompt enactment of a temporary increase of the debt limit to \$308 billion, to be available for the remainder of this year and throughout fiscal 1963.

BUDGET AND FISCAL POLICY

Beyond the specific elements of budget expenditures and receipts, it is necessary to consider the relationship of the budget as a whole to the national economy. Three aspects of this relationship have been given particular attention in the preparation of this budget.

The budget and economic growth and stability.—Our national economic policy is to achieve rapid economic progress for the Nation, with the benefits widely distributed among all parts of the population, to achieve and maintain levels of employment and output commensurate with our growing labor force and productive capacity, and at the same time to maintain reasonable price stability.

The Federal budget has a major role to play in achieving these objectives. Basic investments and services of large importance to the Nation are provided through the Government. Striking evidence of this contribution is that the Federal budget today supports about two-thirds of all the scientific research and development going forward in the Nation. The budget also supports education, transportation, and other developmental activities contributing to national growth.

Federal budget policy also has a major role to play in economic stabilization. This role was evident in fiscal years 1961 and 1962, when deficits were incurred in turning the business cycle from recession to recovery, as had been true in 1958-59 and in earlier recessions.

We do not expect another economic recession during the period covered by this budget. However, experience has taught us that periodic fluctuations in the economy cannot be completely avoided, and that Federal fiscal policy should work flexibly and promptly in such situations. For this, we need standby plans, the merits and mechanics of which have been explored ahead of time by the Congress and the administration.

Three proposals particularly merit congressional consideration at this time:

First, the President should be given standby discretionary authority, subject to congressional veto, to reduce personal income tax rates on clear evidence of economic need, for periods and by percentages set in the legislation.

Second, he should have standby power to initiate, when unemployment rises sharply, a temporary expansion in Federal and federally

aided public works programs including authority for new Federal grants and loans for State and local capital improvements. The legislation providing for such an anti-recession program should ensure that projects to be financed will meet high-priority needs, will be started promptly and completed rapidly, and will result in a net addition to Federal, State, or local expenditures.

Third, legislation should be enacted to strengthen considerably the Federal-State unemployment insurance system, including a permanent system of extended unemployment benefits for workers whose regular benefits expire—in good times or bad for workers with long work experience and in recession periods for all workers. These recommendations will be discussed in the Economic Report.

The budget and the balance of payments.—In formulating this budget, careful consideration has been given to the impact on our international balance of payments of Federal expenditures abroad for defense, foreign assistance, and the conduct of foreign affairs. During the coming year, U.S. Government expenditures abroad are estimated to be \$4.4 billion, compared with \$4.6 billion in the current year, mainly for construction and procurement of goods and services for U.S. military and civilian operations abroad; military and civilian salaries; and the fraction of foreign assistance which does not directly finance U.S. exports. The 1963 estimate reflects many actions which have been taken to reduce the level of Government expenditures abroad. We are managing to strengthen our military defenses overseas without increasing our foreign exchange outlays, and with respect to economic aid we are stressing even further the procurement of American goods and services.

This budget also reflects other measures we are taking to improve the balance of payments, including tax measures to encourage the modernization of productive equipment and consequent increases in our competitive ability in world markets, stepped up export promotion activities, greater encouragement to foreign travel in the United States, and reduced tax inducements to invest in developed areas abroad rather than at home. To improve further our balance of payments position, we are continuing negotiations with other industrialized countries with the objective of increasing their purchases of defense materiel in the United States and their contributions to the economic advance of the developing countries.

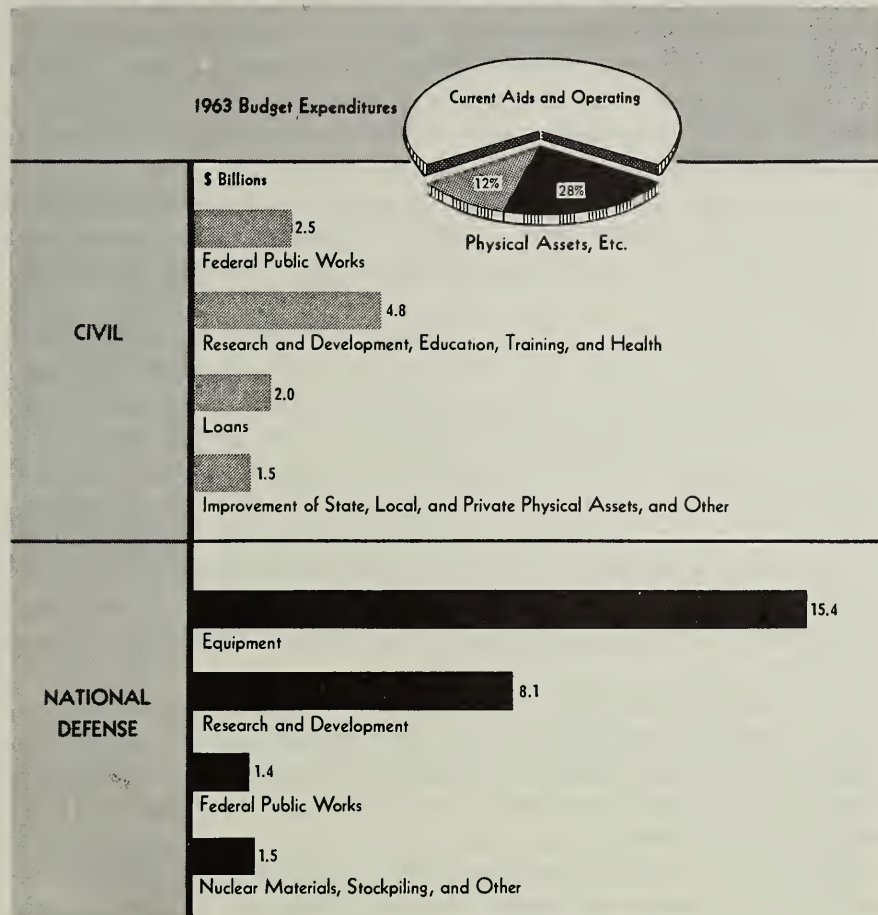
Basic improvement in our balance of payments will depend primarily upon our ability to continue a high degree of overall price stability and to improve the competitive position of U.S. goods in world markets. The dynamic development and prospective expansion of the European Economic Community are resulting in fundamental changes in world commerce. This pattern of growth presents us with unparalleled export opportunity as well as a continuing challenge. We must meet these changes boldly, confident in our continuing ability to compete on the world markets and to participate in the enormous benefits to all concerned which accrue from the worldwide division of labor and expansion of trade. These are the objectives of the legislative recommendations concerning trade expansion which I shall be sending to the Congress shortly in a special message.

The budget and Federal capital outlays.—In contrast with the practice of many businesses, State and local governments, and foreign governments, the budget of the U.S. Government lumps together expenditures for capital investment and for current operations. Nevertheless it is clearly of importance, in analyzing the significance of the Federal budget to the Nation, to recognize that the budget includes substantial expenditures for loans, public works, and other durable assets and capital items which will yield benefits in future years.

Furthermore, increasing attention has been given in recent years to the significance of “developmental” expenditures—outlays for education and training, and for research, which have the effect of adding to the Nation’s level of knowledge and of skill, and thereby increase the capacity to produce a larger national output in future years.

In the 1963 budget, expenditures for Federal civil public works are estimated to be \$2.5 billion, and another \$1.5 billion is estimated for additions to State, local, and private physical assets. About \$7 billion of loan disbursements, to be repaid later, will be made in 1963 (including mortgage purchases); repayments in 1963 of loans previously made are expected to total \$5 billion, resulting in net budget expenditures of \$2 billion for civil loans. An estimated \$4.8 billion

Expenditures for Physical Assets, Loans, Research, and Other Developmental Purposes



will be spent for civil developmental purposes such as education, training, health, and research and development.

Certain trust fund transactions add to the Nation's assets, as well. For example, in 1963, \$3.2 billion will be spent for grants to States for highways through the highway trust fund.

EFFICIENCY AND ECONOMY IN THE PUBLIC SERVICE

The effort to increase the degree of efficiency with which the public business is conducted requires constant and unremitting effort on many fronts. This budget reflects continuing improvement in many agencies in productivity per employee, brought about through better training, better supervision, more effective organization, and more efficient equipment.

The first requirement for efficiency and economy in Government is highly competent personnel. In this regard we face one very important problem on which I am placing a new recommendation before the Congress.

This is the urgent need to achieve a reform of white-collar salary systems to enable the Government to obtain and keep the high quality personnel essential for its complex and varied programs. Such a reform should bring career employee salaries at all except the very top career levels into reasonable comparability with private enterprise salaries for the same level of work, and provide salary structures with pay distinctions more adequately reflecting differences in degree of responsibility. These two fundamental standards have been widely supported in the past as proper objectives in determining Government salary structures and I now urge that they be given practical effect.

The legislation I am proposing provides for some adjustment in nearly all salary grades, but it is clear that the higher grades have fallen farthest below the level of reasonable comparability and must therefore be given the greatest percentage increases to make the Government competitive.

There is also a need for more equitable recognition than is presently provided for postal employees, most of whom spend their entire careers in a single pay level. The proposed reform meets this need directly by increasing the number and size of in-grade steps and by replacing the present longevity increases with additional step increases. The proposal takes into account the career character of the large postal carrier and clerk employee group, recruited at grade PFS-4, by linking their pay with employees paid under the Classification Act at GS-5.

To ease the budget impact, and to provide ample time for the Congress to study the matter in the light of additional information which will become available annually, I am suggesting that the new pay scales take effect in three annual stages, beginning January 1, 1963.

Important steps to improve the military pay structure, particularly for higher ranking officers, have been taken in recent years, first in 1955 and, more significantly, in 1958. However, the adjustments now being recommended in civilian compensation require study of the possible need for further changes in military compensation. Consequently, I am directing that a thorough review be made which will permit an up-to-date appraisal of the many elements of military compensation and their relationship to the new proposed levels of civilian compensation. There is one area, however, which has already been adequately reviewed. To reflect an acknowledged rise in housing costs, I am proposing legislation to provide selective increases in the basic allowance for quarters payable to military personnel. As in the case of the civilian pay adjustments, these increases should take effect January 1, 1963.

Pay adjustments alone will not assure high standards of employee competence. There must be scrupulous fairness in recruiting and assigning personnel—and we have given renewed emphasis to equality of opportunity in the Federal service. There must be absolute integrity in all dealings with the public and with policy questions—and we have established clearer and stronger guides on ethical standards and recommended improvement in the conflict of interest statutes. There must be careful attention to the views of employees and their organizations—and we are placing into effect the recommendations of the task force on employee-management relations in the Federal service.

Efficiency and economy require also steady improvement in the organization of the Executive Branch. Notable advances were made this past year, with the cooperation of the Congress: new and stronger organizations for foreign aid, for disarmament, for civil defense, and for maritime activities were established; a number of regulatory commissions were substantially strengthened; and new centralized agencies were established in the Department of Defense for intelligence and for supply activities. A number of further recommendations are pending in the Congress, notably the proposal to establish a new Department of Urban Affairs and Housing, on which I urge early action.

Finally, increased efficiency requires systematic study of ways and means to accomplish the public business more effectively and at less cost. This work goes forward continually in all fields. I cite by way of illustration a few current examples:

- The study, now well along toward completion, of the use of contracts with educational institutions, nonprofit corporations, and

private business concerns for the management of Government research and development activities. This study of "contracting-out" is being made by the Bureau of the Budget with the cooperation of the principal agencies concerned, and is expected to provide much more information on these matters than has been available heretofore.

- Studies, recently completed or in progress, of the operations and management of the Export-Import Bank and the Federal Communications Commission. These studies are made by management consulting firms, and are similar to those completed in recent years for the Federal Trade Commission, the Civil Aeronautics Board, and the Interstate Commerce Commission, all of which produced recommendations of considerable value.

- The study, organized at the request of the Department of State by the Carnegie Endowment for International Peace, of personnel requirements—and ways of meeting those requirements—for U.S. activities overseas in the light of present-day conditions in the world.

Studies of this kind normally do not produce headlines, but they are typical of the effort continually underway to raise the efficiency and reduce the cost of conducting the public business.

CONCLUSION

This budget represents a blending of many considerations which affect our national welfare. Choices among the conflicting claims on our resources have necessarily been heavily influenced by international developments that continue to threaten world peace. At the same time, the budget supports those activities that have great significance to the Nation's social and economic growth—the mainsprings of our national strength and leadership. In my judgment, this budget meets our national needs within a responsible fiscal framework—which is the test of the budget as an effective instrument of national policy. I recommend it to the Congress for action, in full confidence that it provides for the prudent use of our resources to serve the national interest.

JOHN F. KENNEDY.

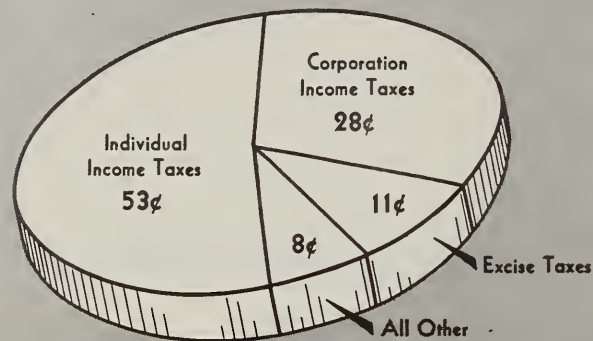
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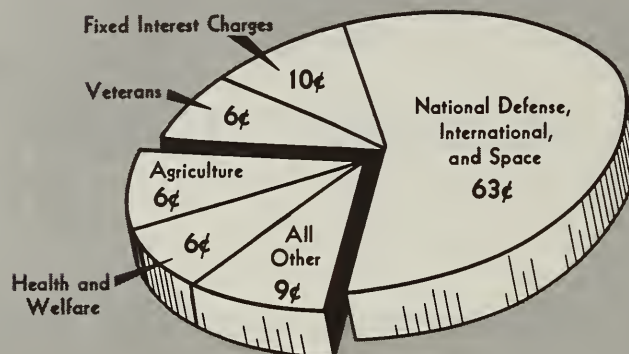
SUMMARY TABLES

THE BUDGET DOLLAR

Where it comes from . . .



Where it goes . . .



Fiscal Year 1963 Estimate

Table 1. SUMMARY OF BUDGET RECEIPTS AND EXPENDITURES

(in millions of dollars)

Description	1961 actual	1962 estimate	1963 estimate
BUDGET RECEIPTS			
Individual income taxes.....	41,338	45,000	49,300
Corporation income taxes.....	20,954	21,300	26,600
Excise taxes.....	9,063	9,627	9,956
Estate and gift taxes.....	1,896	2,090	2,325
Customs.....	982	1,215	1,320
Miscellaneous budget receipts.....	4,080	3,524	4,192
Total.....	78,313	82,756	93,693
Deduct interfund transactions.....	654	656	693
Total, budget receipts.....	77,659	82,100	93,000
BUDGET EXPENDITURES			
National defense.....	47,494	51,212	52,690
International affairs and finance.....	2,500	2,896	2,996
Space research and technology.....	744	1,300	2,400
Agriculture and agricultural resources.....	5,173	6,343	5,836
Natural resources.....	2,006	2,117	2,298
Commerce and transportation.....	2,573	2,915	2,531
Housing and community development.....	320	545	832
Health, labor, and welfare.....	4,244	4,708	5,105
Education.....	943	1,143	1,470
Veterans benefits and services.....	5,414	5,572	5,298
Interest.....	9,050	8,998	9,398
General government.....	1,709	1,910	2,027
Allowances for pay adjustments and contingencies.....		75	350
Total.....	82,169	89,732	93,230
Deduct interfund transactions.....	654	656	693
Total, budget expenditures.....	81,515	89,075	92,537
Budget surplus (+) or deficit (-).....	-3,856	-6,975	+463

Note.—This table shows receipts and expenditures of the budget accounts (but not the trust and deposit funds) and the resulting budget surplus or deficit. A further analysis of receipts appears on pages 44 to 53 (including table 11). A further analysis of expenditures by function appears on pages 56 to 109 (including table 13).

Table 2. SUMMARY OF NEW OBLIGATIONAL AUTHORITY BY AGENCY
(in millions of dollars)

Description	1961 enacted	1962 estimate			1963 estimate		
		Enacted	Supple- mental needed	Total	Trans- mitted herein	Later trans- mittal	Total
Legislative Branch.....	128	129	*	129	136	-----	136
The Judiciary.....	53	58	1	59	63	-----	63
Executive Office of the President.....	72	28	-----	28	23	-----	23
Funds appropriated to the President:							
Foreign Assistance—economic.....	2,646	2,315	-----	2,315	3,397	-----	3,397
Other.....	81	230	2,000	2,230	190	-----	190
Department of Agriculture.....	5,559	7,374	537	7,911	6,965	—539	6,426
Department of Commerce.....	869	794	*	794	634	54	688
Department of Defense:							
Military.....	43,106	49,525	353	49,878	51,420	220	51,640
Civil.....	978	1,012	2	1,014	1,066	-----	1,066
Department of Health, Education, and Welfare.....	3,942	4,605	159	4,764	5,101	1,177	6,278
Department of the Interior.....	826	919	10	929	1,074	-----	1,074
Department of Justice.....	297	295	1	297	309	-----	309
Department of Labor.....	1,075	644	-----	644	273	175	448
Post Office Department.....	895	867	-----	867	800	—535	265
Department of State.....	300	281	128	409	338	12	349
Treasury Department.....	9,977	9,995	-----	9,996	10,438	20	10,458
Atomic Energy Commission.....	2,781	2,547	100	2,647	2,987	-----	2,987
Federal Aviation Agency.....	690	730	-----	730	791	-----	791
General Services Administration.....	513	594	15	609	587	-----	587
Housing and Home Finance Agency.....	4,500	855	1	856	834	150	984
National Aeronautics and Space Administration.....	964	1,672	156	1,828	3,787	-----	3,787
Veterans Administration.....	5,575	5,390	178	5,567	5,449	64	5,514
Other independent agencies.....	769	1,050	36	1,086	1,228	89	1,318
District of Columbia.....	81	62	-----	62	63	-----	63
Allowances for—							
Pay adjustments (except for Post Office Department) ¹	-----	-----	-----	-----	-----	162	162
Contingencies.....	-----	-----	100	100	-----	300	300
Total new obligational authority.....	86,675	91,970	3,778	95,748	97,953	1,350	99,303

*Less than one-half million dollars.

Note.—New obligational authority, here summarized, consists primarily of appropriations, but also includes certain other types of authority enacted by the Congress. The types of authority and the columnar headings for 1962 and 1963 are explained on pages 114 to 116. A more detailed analysis of new obligational authority is found on pages 118 to 266.

¹ Allowance for pay adjustment for Post Office Department is included in line for that Department above.

Table 3. SUMMARY OF BUDGET EXPENDITURES BY AGENCY
(in millions of dollars)

Description	1961 actual	1962 estimate			1963 estimate		
		Enacted	Supple- mental needed	Total	Trans- mitted herein	Later trans- mittal	Total
Legislative Branch.....	133	161	*	161	148	-----	148
The Judiciary.....	52	58	1	59	63	*	63
Executive Office of the President.....	69	32	-----	32	22	-----	22
Funds appropriated to the President:							
Foreign assistance—economic.....	1,805	1,935	-----	1,935	2,235	-----	2,235
Other.....	77	236	-----	236	186	-----	186
Department of Agriculture.....	5,929	7,143	34	7,177	7,248	—540	6,709
Department of Commerce.....	498	624	25	650	808	7	815
Department of Defense:							
Military.....	44,676	47,928	322	48,250	49,499	201	49,700
Civil.....	972	1,013	2	1,015	1,071	*	1,071
Department of Health, Education, and Welfare.....	3,685	4,328	141	4,469	4,895	288	5,183
Department of the Interior.....	801	866	7	873	1,027	3	1,031
Department of Justice.....	284	297	1	298	304	*	304
Department of Labor.....	831	563	-----	563	266	120	386
Post Office Department.....	914	853	-----	853	798	—537	261
Department of State.....	258	325	127	453	330	12	342
Treasury Department.....	9,953	9,973	*	9,973	10,411	19	10,431
Atomic Energy Commission.....	2,713	2,750	80	2,830	2,860	20	2,880
Federal Aviation Agency.....	638	708	-----	708	781	-----	781
General Services Administration.....	387	487	14	501	576	2	578
Housing and Home Finance Agency.....	502	940	1	940	1,368	15	1,383
National Aeronautics and Space Administration.....	744	1,292	8	1,300	2,252	148	2,400
Veterans Administration.....	5,401	5,383	177	5,560	5,220	65	5,285
Other independent agencies.....	794	778	—44	734	530	72	602
District of Columbia.....	50	90	-----	90	85	-----	85
Allowances for—							
Pay adjustments (except for Post Office Department) ¹	-----	-----	-----	-----	-----	150	150
Contingencies.....	-----	-----	75	75	-----	200	200
Subtotal.....	82,169	88,761	971	89,732	92,985	245	93,230
Deduct interfund transactions.....	654	-----	-----	656	-----	-----	693
Total budget expenditures.....	81,515	-----	-----	89,075	-----	-----	92,537

* Less than one-half million dollars.

Note.—For explanation of the columnar headings for 1962 and 1963, see page 116. For more detailed information on expenditures by agency and account, see pages 118 to 266.

¹ Allowance for pay adjustment for Post Office Department is included in line for that Department.

Table 4. SUMMARY OF TRUST FUNDS (in millions of dollars)

Description	1961 actual	1962 estimate	1963 estimate
TRUST FUND RECEIPTS			
Federal old-age and survivors insurance trust fund.....	11,910	12,252	14,231
Federal disability insurance trust fund.....	1,093	1,116	1,175
Unemployment trust fund.....	3,805	3,584	4,154
Railroad retirement account.....	1,051	1,110	1,188
Federal employees retirement funds.....	2,033	2,063	2,128
Highway trust fund.....	2,925	3,136	3,383
Veterans life insurance funds.....	725	744	743
Other trust funds.....	779	1,013	1,002
Subtotal.....	24,322	25,018	28,005
Deduct interfund transactions.....	515	473	498
Total, trust fund receipts.....	23,807	24,545	27,506
TRUST FUND EXPENDITURES			
Federal old-age and survivors insurance trust fund.....	11,839	13,328	14,282
Federal disability insurance trust fund.....	756	1,076	1,160
Unemployment trust fund.....	4,736	3,844	3,897
Railroad retirement account.....	1,124	1,126	1,144
Federal employees funds.....	879	1,022	1,109
Highway trust fund.....	2,745	3,161	3,385
Veterans life insurance funds.....	801	749	674
Federal National Mortgage Association trust fund, net.....	-89	856	470
Deposit funds and all other trust funds.....	962	887	1,028
Subtotal.....	23,754	26,047	27,148
Deduct interfund transactions.....	515	473	498
Total, trust fund expenditures.....	23,239	25,574	26,650
Net accumulation.....	568	-1,029	857

Note.—This table summarizes the trust and deposit fund receipts and expenditures which are in addition to the budget transactions shown on table 1. The transactions presented here relate to funds which the Government holds in a fiduciary capacity. More detailed information on the trust and deposit funds, including data on investments and borrowing, is included in special analysis A (pages 270 to 278).

Table 5. RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

(in millions of dollars)

Description	1961 actual	1962 estimate	1963 estimate
FEDERAL RECEIPTS FROM THE PUBLIC			
Individual income taxes.....	41,338	45,000	49,300
Corporation income taxes.....	20,954	21,300	26,600
Excise taxes.....	11,986	12,759	13,335
Employment taxes.....	12,502	13,022	15,409
Estate and gift taxes.....	1,896	2,090	2,325
Customs.....	982	1,215	1,320
Deposits by States, unemployment insurance.....	2,398	2,400	2,600
Veterans life insurance premiums.....	504	520	518
Other budget and trust receipts.....	4,682	4,317	5,206
Total, Federal receipts from the public.....	97,242	102,623	116,614
FEDERAL PAYMENTS TO THE PUBLIC			
National defense.....	47,685	51,534	53,030
International affairs and finance.....	2,153	3,181	2,935
Space research and technology.....	744	1,300	2,400
Agriculture and agricultural resources.....	5,183	6,383	5,812
Natural resources.....	2,103	2,210	2,396
Commerce and transportation.....	5,107	5,860	5,677
Housing and community development.....	-103	1,809	1,559
Health, labor, and welfare.....	22,364	24,161	25,940
Education.....	945	1,144	1,472
Veterans benefits and services.....	6,187	6,281	5,918
Interest.....	7,257	6,914	7,121
General government.....	1,723	1,927	2,042
Allowances for pay adjustments and contingencies.....		75	350
Payments and adjustments, net.....	-1,820	-1,632	-1,849
Total, Federal payments to the public.....	99,528	111,147	114,804
Excess of Federal receipts (+) or payments (-).....	-2,286	-8,524	+1,810

Note.—This table combines the budget transactions shown in table 1 and the trust fund transactions shown in table 4, excluding payments between the two groups of funds, so that these figures show only the flow of money between the Government and the public. Further information is included in special analysis B, pages 279 to 282.

Table 6. **FEDERAL ACTIVITIES IN THE NATIONAL-INCOME ACCOUNTS**
(in billions of dollars)

Description	1961 actual	1962 estimate	1963 estimate
RECEIPTS, NATIONAL-INCOME BASIS			
Personal tax and nontax receipts.....	42.9	46.7	51.7
Corporate profits tax accruals.....	20.1	24.6	27.5
Indirect business tax and nontax accruals.....	13.6	14.5	15.3
Contributions for social insurance.....	18.1	19.8	21.8
Total, receipts, national-income basis.....	94.8	105.6	116.3
EXPENDITURES, NATIONAL-INCOME BASIS			
Purchases of goods and services.....	54.6	60.2	64.2
Transfer payments.....	25.7	27.8	29.4
Grants-in-aid to State and local governments.....	6.4	7.0	7.7
Net interest paid.....	6.9	6.6	6.9
Subsidies less current surplus of Government enterprises.....	3.3	4.5	3.7
Total, expenditures, national-income basis.....	97.0	106.1	111.9
Surplus (+) or deficit (-), national-income basis.....	-2.2	-0.5	+4.4

Note.—This table shows Federal receipts and expenditures on the basis used in the national income and gross national product statistics of the Department of Commerce. Both budget funds and trust funds of the Government are included. However, many figures have been adjusted from a cash to an accrual basis, and transactions have been excluded which consist of exchanges or transfers of claims and of previously existing assets (such as loans, the purchase of land, etc.). For a fuller explanation, see Special Analysis C (pages 283 to 289).

Table 7. INVESTMENT, OPERATING, AND OTHER BUDGET
EXPENDITURES (in millions of dollars)

Description	1961 actual	1962 estimate	1963 estimate
Additions to Federal assets:			
Civil:			
Loans and investments.....	1,692	2,568	1,957
Public works—sites and direct construction.....	1,874	2,183	2,452
Major commodity inventories—net change.....	-390	-620	-376
Major equipment.....	51	51	89
Acquisition and improvement of other physical assets.....	310	487	386
Total, civil.....	3,537	4,669	4,508
National defense:			
Loans.....	-52	-3	-10
Public works—sites and direct construction.....	1,896	1,503	1,450
Major commodity inventories—net change.....	49	90	104
Major equipment.....	13,080	14,847	15,377
Acquisition and improvement of other physical assets.....	1,364	1,257	1,237
Total, national defense.....	16,337	17,694	18,158
Total, additions to Federal assets.....	19,875	22,362	22,665
Additions to other assets:			
Civil:			
State and local physical assets.....	307	371	480
Private physical assets.....	940	991	980
National defense: State and local physical assets.....	11	21	135
Total, additions to other assets.....	1,258	1,383	1,595
Expenditures for other developmental purposes:			
Civil:			
Education, training, and health.....	908	1,073	1,413
Research and development.....	1,409	2,146	3,311
Engineering and natural resource surveys.....	64	80	95
Total, civil.....	2,380	3,299	4,819
National defense:			
Education, training, and health.....	14	15	16
Research and development.....	7,342	7,464	8,146
Total, national defense.....	7,356	7,479	8,162
Total, other developmental expenditures.....	9,736	10,778	12,982
Current aids, special services, and operating expenses:			
Civil.....	27,509	29,116	29,402
National defense.....	23,791	26,018	26,236
Total, current aids, special services, and operating expenses.....	51,300	55,134	55,638
Allowances for pay adjustments and contingencies.....		75	350
Subtotal.....	82,169	89,732	93,230
Deduct interfund transactions.....	654	656	693
Total budget expenditures.....	81,515	89,075	92,537

Note.—This table excludes trust fund expenditures, which cover such additions to assets as federally aided highways. For more information on this classification see special analysis D (pages 290 to 303).

Table 8. THE PUBLIC DEBT (in millions of dollars)

Description	1961 actual	1962 estimate	1963 estimate
SUMMARY OF GOVERNMENT OPERATIONS			
Budget surplus or deficit (—) (table 1).....	—3,856	—6,975	463
Trust fund operations, net (special analysis A, table A-6).....	212	—53	—138
Public enterprise debt and investment transactions, net (special analysis K, table K-5).....	—815	86	—109
Increase or decrease (—) in outstanding checks less deposits in transit.....	285	—113	234
Total operations surplus or deficit (—).....	—4,173	—7,055	450
CHANGE IN CASH BALANCES			
Cash balances, end of year.....	7,456	6,800	6,800
Cash balances, start of year.....	8,989	7,456	6,800
Increase or decrease (—) in cash balances.....	—1,533	—656	-----
EFFECTS ON PUBLIC DEBT			
Public debt at start of year.....	286,331	288,971	295,370
Subtract operations surplus (or add deficit).....	4,173	7,055	—450
Add increase (or subtract decrease) in cash balances.....	—1,533	—656	-----
Public debt at end of year.....	288,971	295,370	294,920
COMPARISON OF PUBLIC DEBT WITH STATUTORY LIMITATION			
Public debt at end of year.....	288,971	295,370	294,920
Portion of public enterprise debt subject to the public debt limitation.....	240	465	649
Portion of public debt not subject to limitation (—).....	—349	—340	—330
Debt subject to statutory limitation, end of year.....	288,862	295,495	295,239
Statutory limitation on debt, end of year ¹.....	293,000	308,000	308,000

¹ Maximum statutory debt limitation during the year 1961, \$293,000 million; during 1962 under existing law, \$298,000 million; under legislation proposed in the budget message the temporary limit would be \$308,000 million through the remainder of 1962 and in 1963.

Table 9. SUMMARY OF CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH

Description	As of June 30		
	1961 actual	1962 estimate	1963 estimate
Executive Office of the President.....	2,767	1,661	1,564
Department of Agriculture.....	102,557	110,934	116,388
Department of Commerce.....	30,337	30,793	32,773
Department of Defense:			
Military ¹	1,012,375	1,037,018	1,029,069
Civil ²	30,032	31,445	31,562
Department of Health, Education, and Welfare.....	70,335	78,028	82,669
Department of the Interior.....	59,458	64,762	70,157
Department of Justice.....	31,262	31,997	32,671
Department of Labor.....	7,491	8,642	8,956
Post Office Department.....	582,447	593,265	608,729
Department of State.....	23,814	24,038	24,221
Agency for International Development.....	14,906	16,219	16,059
Peace Corps.....	227	547	1,093
Treasury Department.....	79,970	82,995	89,876
Atomic Energy Commission.....	6,846	6,923	7,035
Federal Aviation Agency.....	42,838	45,118	48,959
General Services Administration.....	29,944	32,844	34,521
Housing and Home Finance Agency.....	11,507	13,607	14,981
National Aeronautics and Space Administration.....	17,471	22,000	26,300
Veterans Administration.....	174,110	177,860	178,975
Other agencies.....	76,335	81,649	81,832
Total.....	2,407,029	2,492,345	2,538,390

Note.—Although most of the employees shown here are paid from budget funds, some are paid from trust funds; and in the case of some agencies, the table includes employees who are paid from other funds outside the scope of the budget document. In accordance with definitions of the Civil Service Commission, the figures cover both those employees who are working on June 30, and also part-time and intermittent employees who work at any time during the month of June.

¹ Consists of civilian employment for military functions and military assistance.

² Employment for Panama Canal Zone Government, Panama Canal Company, and United States Soldiers' Home is included in "Other agencies" below.

Table 10. BUDGET TOTALS AND PUBLIC DEBT, 1789-1963 (in millions of dollars)

Fiscal year	Budget receipts	Budget expenditures	Surplus (+) or deficit (-)	Public debt at end of year	Fiscal year	Budget receipts	Budget expenditures	Surplus (+) or deficit (-)	Public debt at end of year
1789-1849	1,160	1,090	+70	63	1931	3,116	3,577	-462	16,801
1850-1899	13,895	14,932	-1,037	1,437	1932	1,924	4,659	-2,735	19,487
1900	567	521	+46	1,263	1933	1,997	4,598	-2,602	22,539
1901	588	525	+63	1,222	1934	3,015	6,645	-3,630	27,053
1902	562	485	+77	1,178	1935	3,706	6,497	-2,791	28,701
1903	562	517	+45	1,159	1936	3,997	8,422	-4,425	33,779
1904	541	584	-43	1,136	1937	4,956	7,733	-2,777	36,425
1905	544	567	-23	1,132	1938	5,588	6,765	-1,177	37,165
1906	595	570	+25	1,143	1939	4,979	8,841	-3,862	40,440
1907	666	579	+87	1,147	1940	5,137	9,055	-3,918	42,968
1908	602	659	-57	1,178	1941	7,096	13,255	-6,159	48,961
1909	604	694	-89	1,148	1942	12,547	34,037	-21,490	72,422
1910	676	694	-18	1,147	1943	21,947	79,368	-57,420	136,696
1911	702	691	+11	1,154	1944	43,563	94,986	-51,423	201,003
1912	693	690	+3	1,194	1945	44,362	98,303	-53,941	258,682
1913	714	715	*	1,193	1946	39,650	60,326	-20,676	269,422
1914	725	725	*	1,188	1947	39,677	38,923	+754	258,286
1915	683	746	-63	1,191	1948	41,375	32,955	+8,419	252,292
1916	762	713	+48	1,225	1949	37,663	39,474	-1,811	252,770
1917	1,100	1,954	-853	2,976	1950	36,422	39,544	-3,122	257,357
1918	3,630	12,662	-9,032	12,455	1951	47,480	43,970	+3,510	255,222
1919	5,085	18,448	-13,363	25,485	1952	61,287	65,303	-4,017	259,105
1920	6,649	6,357	+291	24,299	1953	64,671	74,120	-9,449	266,071
1921	5,567	5,058	+509	23,977	1954	64,420	67,537	-3,117	271,260
1922	4,021	3,285	+736	22,963	1955	60,209	64,389	-4,180	274,374
1923	3,849	3,137	+713	22,350	1956	67,850	66,224	+1,626	272,751
1924	3,853	2,890	+963	21,251	1957	70,562	68,966	+1,596	270,527
1925	3,598	2,881	+717	20,516	1958	68,550	71,369	-2,819	276,343
1926	3,753	2,888	+865	19,643	1959	67,915	80,342	-12,427	284,706
1927	3,992	2,837	+1,155	18,512	1960	77,763	76,539	+1,224	286,331
1928	3,872	2,933	+939	17,604	1961	77,659	81,515	-3,856	288,971
1929	3,861	3,127	+734	16,931	1962 est.	82,100	89,075	-6,975	295,370
1930	4,058	3,320	+738	16,185	1963 est.	93,000	92,537	+463	294,920

*Less than one-half million dollars.

Note.—Greater detail on budget receipts and budget expenditures for the period 1953 to 1960, inclusive, is found in table 12 (page 53) and table 14 (page 110), respectively. The change in the public debt from year to year is not necessarily the same as the budget surplus or deficit for the reasons summarized and demonstrated for the period 1961 to 1963 in table 8 (page 40). It reflects also changes in the Government's cash on hand, and the use of corporate debt and investment transactions by certain Government enterprises.

Certain interfund transactions are excluded from budget receipts and budget expenditures starting in 1932. For years prior to 1932 the amounts of such transactions are not significant.

Refunds of receipts are excluded from budget receipts and budget expenditures starting in 1913; comparable data are not available for prior years.

PART 3

BUDGET RECEIPTS

ANALYSIS OF RECEIPTS BY SOURCE

This section of the budget provides supporting detail for the tax proposals and the estimates of budget receipts which are described in the Budget Message.

These estimates of receipts are based on the expectation that the broad economic recovery which began in the first quarter of the calendar year 1961 will continue, and assumes the enactment of proposed legislation regarding taxes.

BUDGET RECEIPTS

[Fiscal years. In millions]

Source	1961 actual	1962 estimate	1963 estimate
Individual income taxes.....	\$41,338	\$45,000	\$49,300
Corporation income taxes.....	20,954	21,300	26,600
Excise taxes.....	9,063	9,627	9,956
Estate and gift taxes.....	1,896	2,090	2,325
Customs.....	982	1,215	1,320
Miscellaneous receipts.....	4,080	3,524	4,192
Total.....	78,313	82,756	93,693
Deduct interfund transactions.....	654	656	693
Total budget receipts.....	77,659	82,100	93,000

ECONOMIC BASE OF ESTIMATES

Both the receipt and expenditure estimates in this budget are based on the expectation that the gross national product in the calendar year 1962 will amount to \$570 billion, an increase of almost \$50 billion over the calendar year 1961. This estimated increase in the total value of goods and services produced will be accompanied by commensurate increases in private incomes. Personal income is expected to rise from \$417 billion in calendar 1961 to \$448 billion in calendar 1962. Corporate profits have increased each quarter since the recession low of the first quarter of the calendar year 1961. Despite this rising trend during the calendar year, profits for the year as a whole are estimated to be only slightly above the total for calendar 1960, during which profits were declining. For calendar 1962 as a

whole, a substantial rise of \$10.5 billion to \$56.5 billion of corporate profits is estimated.

The various tax bases are estimated consistent with these assumed measures of overall economic activity. However, since taxes are assessed against certain transactions, transfers, and flows of income as defined by statute rather than as defined in the national income accounts, the relationship of receipts to measures of economic aggregates cannot be precise. Moreover, some adjustments are required for differences in timing. During a period of economic recovery, tax collections do not expand as quickly as many indices of economic activity. Changes in corporation income tax collections, in particular, lag behind changes in corporate profits.

ESTIMATED CHANGES IN REVENUES

The estimated increase in total budget receipts between fiscal 1962 and 1963 is \$10.9 billion, compared with an increase of \$4.4 billion between the fiscal years 1961 and 1962. Although individual income tax receipts are expected to contribute more than four-fifths of the revenue gains in 1962, corporate income taxes will contribute the largest single part of the 1963 increase. With the exception of miscellaneous receipts, for which a decline is estimated in 1962 from the unusually large collections in 1961, all other sources of receipts show advances in both years.

However, the rise in total receipts is estimated to take place with no major change in the proportions derived from particular sources. The individual income tax remains the most important source of revenue, contributing over one-half the receipts in each year, followed by corporation income taxes which contribute about one-quarter of budget receipts.

The budget receipts totals include an estimated \$100 million in fiscal 1962 and \$300 million in 1963 expected to result from the expanded enforcement activities of the Internal Revenue Service.

Sources of receipts.—Individual income tax receipts in fiscal 1963 are estimated to be \$4.3 billion higher than in 1962, reflecting the projected rise of over \$30 billion in personal income expected between calendar years 1961 and 1962. The 1962 receipts estimate is \$3.7 billion above the actual collections in 1961, because, in spite of the recent recession, personal incomes were higher.

Receipts from corporation income taxes are expected to increase by \$5.3 billion in fiscal year 1963, reflecting the estimated large rise in corporate profits between calendar years 1961 and 1962. Corporation income tax receipts in fiscal 1962 are expected to be only \$346 million above the previous year.

Excise tax receipts are estimated to increase by \$564 million in 1962 and to rise further by \$329 million in 1963. Most of the excise taxes are expected to show increases in both 1962 and 1963, as a result of the general rise in business activity and incomes. The largest increases in both years are expected from the taxes on passenger automobiles, liquor and tobacco, and communications.

Receipts from estate and gift taxes are expected to rise to \$2.1 billion in the current year and to advance further to \$2.3 billion in 1963. Because of the predominance of estate taxes in this total and the length of time permitted for filing estate tax returns, the revenue from this source lags more than a year behind current changes in security prices and values of other assets which constitute the bulk of the tax base.

Customs receipts are estimated to increase to \$1.3 billion in 1963, compared to the estimated \$1.2 billion in 1962, as the increased level of business activity generates an expansion in taxable imports.

Miscellaneous receipts are estimated to decrease by \$556 million in the current year, but are expected to advance by more than this amount in 1963. Fiscal 1961 receipts were unusually large by reason of a large loan prepayment by the Federal Republic of Germany. The repayment to the general fund of advances to certain States for temporary unemployment compensation during the 1961 recession accounts for the major part of the 1963 increase.

Efforts are being continued to set fees and charges for special Government services and benefits at appropriate rates in light of costs to the Government and value to those benefiting.

PROPOSED LEGISLATION

Tax reform proposals.—The tax reform program set forth in this budget is expected to have no net effect on total revenues. The investment credit of 8% of expenditures for equipment recommended to encourage modernization of industrial equipment will result in a net revenue loss, while revenue gains are expected from the following proposals to eliminate inequities in the present tax structure:

(a) Withholding on dividend and interest income to recoup the revenue lost because of failure to report such income in full on tax returns.

(b) Repeal of the present \$50 dividend exclusion and 4% tax credit for dividends above \$50.

(c) Limitation of the capital gain treatment of gains on depreciable real and personal property.

(d) Restriction of business expense deductions for entertainment, gifts, and other expense account items.

(e) Taxation of business earnings of cooperatives either at the individual or organization level.

(f) Repeal of special provisions applicable only to mutual organizations in the fire and casualty insurance field.

(g) Revision of the tax deductible reserve provisions applicable to mutual savings banks and savings and loan associations to assure nondiscriminatory taxation among competing financial institutions.

(h) Changes in the tax treatment of foreign income by limiting tax deferral privileges generally to the newly developing countries and by tightening up on various preferences permitted under present law with respect to (1) tax haven operations, (2) taxation of foreign investment companies, (3) taxation of American citizens who are residents abroad, (4) estate tax on real property abroad, (5) computation of allowances for foreign tax credits on dividends, and (6) taxation of foreign trusts.

Extension of present tax rates.—Under present law, the corporation income tax rate will drop from 52% to 47% and excise tax rates on distilled spirits, beer, wines, cigarettes, passenger automobiles, and automobile parts and accessories will decline on July 1, 1962, while the tax on general telephone service will expire on July 1, 1962. The revenue estimates assume that legislation extending present rates for these taxes for 1 year beyond June 30, 1962, will be enacted as recommended.

Transportation tax and user charges.—Under existing legislation amounts paid for transportation of persons are taxed at 10%. The rate will decline to 5% on July 1, 1962. The estimates for 1963 assume that legislation will be enacted, as recommended, to repeal the tax on transportation of persons other than by air effective July 1, 1962, and establish a system of user charges for aviation and inland waterways.

With respect to aviation, legislation is proposed to continue the present 10% tax on transportation of persons until December 31, 1962.

After that date a tax of 5% on amounts paid for transportation of persons and freight by air would be effective. In addition, the present tax of 2 cents per gallon on aviation gasoline would be extended to jet fuels and the tax rate on fuels used in general aviation would be raised to 3 cents per gallon. The proceeds from these taxes would be retained in the general fund instead of being transferred to the highway trust fund, as is now the case for the aviation gasoline tax.

A user charge is also recommended, to be effective January 1, 1963, of 2 cents per gallon on fuels used on inland waterways, which would offset part of the cost of the operation and maintenance of waterways.

ESTIMATED EFFECT OF PROPOSED LEGISLATION ON BUDGET RECEIPTS

[In millions]

	Fiscal year 1963	Full annual effect
Corporation income taxes: Tax rate extension.....	\$1,300	\$2,800
Excise taxes:		
Tax rate extensions (excluding transportation of persons):		
Alcohol taxes.....	415	267
Tobacco taxes.....	259	240
Passenger automobiles.....	410	430
Parts and accessories for automobiles.....	60	73
General telephone service.....	395	525
Subtotal, excise tax rate extensions.....	1,539	1,535
Transportation proposals:		
Repeal tax on transportation other than by air, effective July 1, 1962..	-34	-39
Extend tax on air transportation at 10% for 6 months to December 31, 1962, after which it would drop to 5% as under present law.....	46	
Tax transportation of freight by air.....	3	7
Credit existing 2¢ per gallon aviation gas tax receipts to general fund..	9	19
Extend 2¢ rate to jet fuel.....	13	36
Increase rate to 3¢ on fuels used in general aviation.....	1	3
Tax fuel used on inland waterways.....	3	10
Subtotal, transportation proposals.....	41	36
Total, excise taxes.....	1,580	1,571
Miscellaneous receipts:		
Sugar import fees.....	180	180
Other.....	-105	-105
Total, proposed legislation.....	2,955	4,446

Table 11. SOURCES OF BUDGET RECEIPTS (in millions of dollars)

Description	1961 actual	1962 estimate	1963 estimate
Individual income taxes:			
Withheld.....	32,978	36,325	40,225
Other.....	13,175	13,645	14,245
Gross individual income taxes.....	46,153	49,970	54,470
Less refunds.....	4,815	4,970	5,170
Net individual income taxes.....	41,338	45,000	49,300
Corporation income taxes.....	21,765	22,200	27,400
Less refunds.....	810	900	800
Net corporation income taxes.....	20,954	21,300	26,600
Excise taxes:			
Alcohol taxes:			
Distilled spirits (domestic and imported).....	2,277	2,360	2,470
Beer.....	795	800	800
Rectification tax.....	22	23	23
Wines (domestic and imported).....	96	98	100
Special taxes in connection with liquor occupations.....	22	22	22
Total alcohol taxes.....	3,213	3,303	3,415
Tobacco taxes:			
Cigarettes (small).....	1,924	1,980	2,050
Manufactured tobacco (chewing, smoking, and snuff).....	17	17	17
Cigars (large).....	49	52	52
Cigarette papers and tubes.....	1	1	1
All other.....	*	*	*
Total tobacco taxes.....	1,991	2,050	2,120
Taxes on documents, other instruments, and playing cards:			
Issues of securities, stock and bond transfers, and deeds of conveyance.....	141	147	152
Playing cards.....	8	8	8
Silver bullion sales or transfers.....	*	*	*
Total taxes on documents, other instruments, and playing cards.....	149	155	160
Manufacturers' excise taxes:			
Gasoline.....	2,370	2,422	2,485
Jet fuel.....			13
Lubricating oils.....	74	76	80
Passenger automobiles.....	1,229	1,345	1,500
Automobile trucks, buses, and trailers.....	237	260	270
Parts and accessories for automobiles.....	189	189	200
Tires, inner tubes, and tread rubber.....	280	368	391
Electric, gas, and oil appliances.....	64	69	73
Electric light bulbs.....	33	37	40
Radio and television receiving sets, phonographs, phonograph records, and musical instruments.....	190	205	225
Mechanical refrigerators, quick-freeze units, and self-contained air-conditioning units.....	56	60	65
Business and store machines.....	98	100	115

See footnote at end of table.

Table 11. SOURCES OF BUDGET RECEIPTS (in millions of dollars)—Continued

Description	1961 actual	1962 estimate	1963 estimate
Excise taxes—Continued			
Manufacturers' excise taxes—Continued			
Photographic equipment.....	25	28	30
Matches.....	5	5	5
Sporting goods, including fishing rods, creels, etc.....	21	23	26
Firearms, shells and cartridges.....	15	16	18
Pistols and revolvers.....	2	2	2
Fountain and ballpoint pens, mechanical pencils.....	9	10	11
Total manufacturers' excise taxes.....	4,897	5,215	5,549
Retailers' excise taxes:			
Jewelry.....	168	173	179
Furs.....	29	30	30
Toilet preparations.....	132	144	157
Luggage, handbags, wallets, etc.....	68	68	72
Total retailers' excise taxes.....	398	415	438
Miscellaneous excise taxes:			
Toll telephone service, telegraph and teletypewriter service, wire mileage service, etc.....	344	375	410
General telephone service.....	483	495	525
Transportation of persons.....	264	280	159
Transportation of persons by air.....			34
Transportation of freight by air.....			3
Fuel used on inland waterways.....			3
Diesel fuel used on highways.....	89	107	125
Use tax on certain vehicles.....	46	105	120
Admissions, exclusive of cabarets, roof gardens, etc.....	37	40	43
Cabarets, roof gardens, etc.....	34	34	35
Wagering taxes, including occupational taxes.....	7	7	7
Club dues and initiation fees.....	64	68	71
Leases of safe deposit boxes.....	7	7	7
Coconut and other vegetable oils, processed.....	*	*	
Sugar tax.....	92	94	96
Coin-operated amusement and gaming devices.....	24	24	25
Bowling alleys and billiard and pool tables.....	4	5	5
All other miscellaneous excise taxes.....	3	2	1
Total miscellaneous excise taxes.....	1,498	1,643	1,669
Undistributed depository receipts and unapplied collections.....	—81	61	67
Gross excise taxes.....	12,064	12,842	13,418
Less refunds.....	78	83	83
Less transfer to Highway trust fund.....	2,923	3,132	3,379
Net excise taxes.....	9,063	9,627	9,956
Employment taxes:			
Federal Insurance Contributions Act and Self-Employment Contributions Act.....	11,586	11,949	13,809
Railroad Retirement Tax Act.....	571	597	624
Federal Unemployment Tax Act.....	345	476	976
Gross employment taxes.....	12,502	13,022	15,409
Less refunds.....	1	*	*

See footnote at end of table.

Table 11. SOURCES OF BUDGET RECEIPTS (in millions of dollars)—Continued

Description	1961 actual	1962 estimate	1963 estimate
Employment taxes—Continued			
Less transfers to:			
Federal old-age and survivors insurance trust fund...	10,623	10,972	12,780
Federal disability insurance trust fund.....	963	977	1,029
Railroad retirement account.....	571	597	624
Unemployment trust fund.....	345	476	976
Net employment taxes.....	—*		
Estate and gift taxes.....	1,916	2,110	2,345
Less refunds.....	20	20	20
Net estate and gift taxes.....	1,896	2,090	2,325
Customs.....	1,008	1,241	1,346
Less refunds.....	25	26	26
Net customs.....	982	1,215	1,320
Miscellaneous receipts:			
Under existing legislation:			
Miscellaneous taxes.....	5	5	5
Seigniorage.....	55	67	40
Bullion charges.....	6	8	1
Fees for permits and licenses:			
Admission permits and fees.....	5	5	7
Business concessions.....	5	6	6
Immigration, passport, and consular fees.....	20	20	21
Patent and copyright fees.....	9	9	9
Registration and filing fees.....	6	6	6
Miscellaneous fees for permits and licenses.....	37	17	204
Total fees for permits and licenses.....	81	62	255
Fines, penalties, and forfeitures:			
Fines, penalties, and forfeitures, customs, com- merce, and antitrust laws.....	5	5	5
Other fines, penalties, and forfeitures.....	8	8	7
Total fines, penalties, and forfeitures.....	14	13	12
Gifts and contributions.....	*	*	*
Interest:			
Interest on loans to Government-owned enterprises.....	640	642	678
Interest on domestic loans to individuals and private organizations.....	99	88	86
Interest on foreign loans and deferred payments.....	169	202	200
Miscellaneous interest collections.....	34	14	14
Total interest.....	942	947	978
Dividends and other earnings:			
Deposits of earnings, Federal Reserve System.....	788	725	775
Payment equivalent to income taxes.....	9	16	20
Miscellaneous dividends and earnings.....	7	9	9
Total dividends and other earnings.....	805	751	804

See footnote at end of table.

Table 11. SOURCES OF BUDGET RECEIPTS (in millions of dollars)—Continued

Description	1961 actual	1962 estimate	1963 estimate
Miscellaneous receipts—Continued			
Under existing legislation—Continued			
Rents:			
Rent of land.....	12	14	15
Rent on Outer Continental Shelf lands.....	2	133	210
Rent of real property, not otherwise classified.....	29	29	29
Rent of equipment and other personal property.....	51	52	52
Total rents.....	94	227	307
Royalties:			
Royalties on Outer Continental Shelf lands.....	6	7	10
Miscellaneous royalties on natural resources.....	109	113	114
Royalties on patents and copyrights.....	*	*	*
Total royalties.....	114	120	124
Sale of products:			
Sale of timber and other natural land products.....	139	160	166
Sale of minerals and mineral products.....	11	12	12
Sale of power and other utilities.....	171	178	201
Sale of publications and reproductions.....	5	5	5
Sale of miscellaneous products and byproducts.....	5	6	6
Total sale of products.....	330	360	390
Fees and other charges for services and special benefits:			
Fees and other charges for administrative, professional, and judicial services.....	15	16	16
Fees and other charges for communication and transportation services.....	9	9	9
Charges for subsistence, laundry, and health services.....	4	4	5
Fees and other charges for services provided to the District of Columbia.....	5	5	5
Fees for general governmental services.....	13	13	14
Other fees and charges.....	54	58	59
Total fees and other charges for services and special benefits.....	99	104	107
Sale of Government property:			
Sale of real property.....	12	8	8
Sale of equipment and other personal property.....	251	245	265
Sale of scrap and salvage materials.....	79	91	97
Total sale of Government property.....	343	344	370
Realization upon loans and investments:			
Repayment from States and other public bodies.....	1	1	513
Repayment of domestic loans to individuals and private organizations.....	345	195	23
Repayment of foreign loans.....	655	193	119
Repayment on miscellaneous recoverable costs.....	7	13	7
Miscellaneous repayments on loans and investments.....	4	5	5
Total realization upon loans and investments.....	1,012	407	668

See footnote at end of table.

Table 11. SOURCES OF BUDGET RECEIPTS (in millions of dollars)—Continued

Description	1961 actual	1962 estimate	1963 estimate
Miscellaneous receipts—Continued			
Under existing legislation—Continued			
Recoveries and refunds:			
Recoveries under military occupation.....	1	*	44
Recoveries of excess profits and costs.....	8	10	10
Recoveries under foreign aid programs.....	130	53	34
Refunds of erroneous payments.....	11	11	11
Miscellaneous recoveries and refunds.....	32	36	34
Total recoveries and refunds.....	182	109	133
Gross miscellaneous receipts.....	4,082	3,526	4,194
Less refunds.....	2	2	2
Net miscellaneous receipts.....	4,080	3,524	4,192
Subtotal receipts.....	78,313	82,756	93,693
Deduct interfund transactions.....	654	656	693
Total budget receipts.....	77,659	82,100	93,000

* Less than one-half million dollars.

Note.—Estimates include effect of proposed legislation.

Table 12. BUDGET RECEIPTS, 1953–1960 (in millions of dollars)

Description	Actual							
	1953	1954	1955	1956	1957	1958	1959	1960
Individual income taxes.....	30,108	29,542	28,747	32,188	35,620	34,724	36,719	40,715
Corporation income taxes.....	21,238	21,101	17,861	20,880	21,167	20,074	17,309	21,494
Excise taxes (net).....	9,868	9,945	9,131	9,929	9,055	8,612	8,504	9,137
Employment taxes.....	274	283	579	322	328	333	321	339
Estate and gift taxes.....	881	934	924	1,161	1,365	1,393	1,333	1,606
Customs.....	596	542	585	682	735	782	925	1,105
Miscellaneous receipts.....	1,859	2,309	2,562	3,004	2,760	3,200	3,160	4,062
Subtotal.....	64,825	64,655	60,390	68,165	71,029	69,117	68,270	78,457
Deduct interfund transactions.....	154	235	181	315	467	567	355	694
Total budget receipts.....	64,671	64,420	60,209	67,850	70,562	68,550	67,915	77,763

Note.—Figures shown in this table are net of refunds, but correspond to the net figures used in the same classifications for fiscal years 1961 to 1963 in table 11 (pages 49 to 53).

PART 4

THE FEDERAL PROGRAM
BY FUNCTION

ANALYSIS OF FEDERAL ACTIVITIES BY FUNCTION

This section of the budget describes the Government activities proposed for 1963 in terms of the major functions they serve. It presents greater detail on existing programs and on new legislative recommendations than is included in the Budget Message.

Almost four-fifths of the \$92.5 billion of budget expenditures estimated for 1963 represent costs associated with our current national security and with past wars. Expenditures for national defense, international, and space programs are estimated at \$58.1 billion; those for veterans benefits and for interest payments, which are related to past wars, are expected to total \$14.7 billion. All other expenditures are estimated at \$19.7 billion, about one-fifth of the total; they include \$5.1 billion for health, labor, and welfare programs and \$5.8 billion for agricultural programs.

The expenditure total includes a \$200 million allowance for contingencies, and an allowance of \$150 million is included for the pay adjustments being proposed for Federal white-collar employees; the recommended revisions in postal workers' pay are included with other estimated Post Office expenditures.

NATIONAL DEFENSE

The national defense category used in this budget encompasses the military functions of the Department of Defense, military assistance to other countries, atomic energy, and several activities directly supporting our defense effort. Expenditures for national defense in 1963 are estimated at \$52.7 billion, \$1.5 billion more than in 1962 and \$5.2 billion more than in 1961. Practically all of the increase is for the Department of Defense, including the civil defense activities recently transferred to that Department.

Department of Defense—Military.—The 1963 budget for the military functions of the Department of Defense is the first to be developed under procedures introduced last year which integrate the making of plans, programs, and budgets. Under these procedures the defense program is developed in terms of the principal military missions of the Defense Establishment, rather than by military services. This approach features long-range projections of programs

and comparisons of the cost-effectiveness of alternative weapons systems. It also involves the continual review and adjustment of long-range objectives to conform with changes in the international situation and in military requirements and technology.

NATIONAL DEFENSE

[Fiscal years. In millions]

Program or agency	Expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Department of Defense—Military:				
Military functions:				
Present programs.....	\$43,227	\$46,850	\$48,129	\$49,920
Proposed legislation.....			171	220
Military assistance.....	1,449	1,400	1,400	1,500
Subtotal.....	44,676	48,250	49,700	51,640
Atomic energy.....	2,713	2,830	2,880	2,987
Defense-related activities:				
Stockpiling of strategic and critical materials.....	35	36	40	38
Expansion of defense production.....	—12	35		
Selective Service System.....	33	36	37	38
Other.....	50	25	33	41
Total.....	47,494	51,212	52,690	¹ 54,744

¹ Compares with new obligational authority of \$45,994 million enacted for 1961 and \$52,644 million (including \$453 million in anticipated supplemental appropriations) estimated for 1962.

Because of the uncertainties inherent in the Berlin crisis, it has been assumed, for purposes of preparing the fiscal year 1963 defense budget, that the special measures associated with that crisis will terminate at the beginning of that fiscal year. Accordingly, the military personnel strengths and force structures shown for the end of fiscal year 1962 in the table on page 62 do not necessarily mesh with those planned for the beginning of fiscal year 1963. Either the 1962 or the 1963 strengths and forces will have to be adjusted, depending on the course of future events.

The following table sets forth the major military programs for fiscal years 1962 and 1963 in terms of obligational availability planned, including recommended new obligational authority plus certain prior year funds. The amount shown for each program represents the total funds necessary to finance the various elements of the program in 1962 and 1963, including military personnel, operation and maintenance, procurement, research and development, and military construction.

SUMMARY OF THE DEPARTMENT OF DEFENSE PROGRAM

[Fiscal years. In billions]

Major military programs	Obligational availability planned	
	1962 estimate	1963 estimate
Strategic retaliatory forces.....	\$9.5	\$9.4
Continental air and missile defense forces.....	2.2	2.1
General purpose forces.....	18.2	18.4
Sealift and airlift.....	1.1	1.3
Reserve Forces.....	1.8	1.9
Research and development (not included elsewhere).....	4.7	5.7
General support.....	12.1	12.8
Civil defense.....	.3	.7
Proposed legislation:		
Basic allowance for quarters and other.....		.2
Military assistance.....	1.6	1.5
Total obligational availability planned.....	51.5	53.9
Of which:		
New obligational authority.....	49.9	51.6
Prior year funds.....	1.6	2.3

Strategic retaliatory forces.—This major program includes manned bombers (B-52's, B-58's, and B-47's), their tankers, and their air-launched missiles, Hound Dog and Skybolt; intercontinental ballistic missiles—Atlas, Titan, and Minuteman; Polaris submarines and their complement of missiles; and communications systems for command and control. The total obligational availability to be used for these forces in 1963 is estimated at \$9.4 billion, compared with \$9.5 billion provided in the 1962 budget as amended, and \$7.5 billion in the original 1962 budget of the previous administration.

These funds will support an operational force of about 1,200 bombers at the end of 1963, about half of which will be maintained on a 15-minute ground alert. The budget provides for continuing the capability for maintaining one-eighth of the heavy bomber fleet on continuous airborne alert. Most of the B-52's will be equipped with the Hound Dog air-to-surface missile and the entire bomber force will be supported by a fleet of jet-powered refueling tankers.

Provision is made in the budget for the continued development and testing, and the initial procurement, of the new Skybolt. This air-launched ballistic missile has approximately double the range and many times the speed of the Hound Dog, and four can be carried by a single B-52 bomber compared with two of the Hound Dog.

The planned 13 squadron force of Atlas ICBM's should be completed and in place by the end of 1963 together with the greater part of the planned 12 Titan ICBM squadrons. The first Minuteman solid-fuel ballistic missiles are also expected to be operational by that time. Funds are requested for the procurement of another substantial increment of Minuteman missiles and for construction of hardened and dispersed launching sites. By the time these additional missiles are operational, the Minuteman force will be several times the presently planned Atlas-Titan liquid-fueled missile force.

Six Polaris submarines carrying 96 missiles are now in commission. Funds are already available to increase this number to 12 submarines and to have 17 more under construction by the end of fiscal 1963. This budget provides for 6 more Polaris submarines and their complements of missiles to be started during 1963 and for the advance procurement of long lead-time components permitting 6 more to be started in 1964, raising the total number of Polaris submarines to 41. In addition, funds are included for the initial procurement of longer range missiles which will greatly increase the flexibility and effectiveness of the Polaris force.

Continental air and missile defense forces.—This major program includes the many elements of our warning and defense system against airborne attack. Total obligational availability to be applied to these forces and programs in 1963 is estimated at \$2.1 billion, \$0.1 billion less than in the 1962 budget as amended.

Defense against bomber attack will continue to be based on a combination of manned interceptors and surface-to-air missiles, with warning provided by the radar networks. The major effort is now directed to improving the ability of the anti-aircraft defense system to survive and function after an ICBM attack, since a manned bomber attack on the United States might well coincide with or follow an ICBM attack. Funds are provided in this budget for an emergency manual backup for the Semi-Automatic Ground Environment (SAGE) system, fallout protection for ground personnel, and facilities to permit a further dispersal of the manned interceptor force. The Nike-Hercules system will be made more effective by the completion of the radar improvement program and the procurement of additional missiles.

The effectiveness of our continental air-defense forces is increasing in relation to the size of bomber attack now considered possible. This will permit a reduction in the numbers of air-defense anti-aircraft battalions and air-defense combat wings.

For continental defense against ICBM attack, the budget provides for completing and operating the Ballistic Missile Early Warning System (BMEWS). Two of the three radar warning stations mak-

ing up this system are already in operation; the third is under construction and will be operational next year. The BMEWS is capable of giving our defensive and offensive forces up to 15 minutes warning of an ICBM attack. As part of the research and development program, work will continue on the development of a satellite ICBM warning system, which would extend the period and improve the reliability of our warning, and on the Nike-Zeus anti-missile system on a top-priority basis.

General purpose forces.—This program includes the bulk of our Armed Forces, which are available either for use in the event of general war or for rapid deployment to any point in the globe in the event of a more limited military conflict. More specifically, this program covers about two-thirds of the active Army forces, the tactical air units of the Air Force, and virtually all of the active Navy and Marine Corps combat forces with the exception of the Polaris and Regulus submarine systems. The reserve forces associated with this mission are included with other reserve components in a separate program.

The total obligational availability planned for the general purpose forces in 1963 is estimated at \$18.4 billion compared with \$18.2 billion in the amended 1962 budget and \$14.7 billion in the original 1962 budget of the preceding administration.

To insure that these forces have the firepower, mobility, and versatility needed to meet the broadest range of military contingencies, the budget provides for a significant increase in the procurement of modern weapons and supporting equipment. Moreover, in order that these forces may be deployed immediately to any part of the world and be able to fight for protracted periods, inventories of basic equipment and supplies will be built up and placed at forward locations.

For example, under the 1963 budget, the Army will procure another large increment of the 7.62 mm. family of small arms; increased quantities of heavy machineguns; more self-propelled artillery and main battle tanks; and conventional and atomic munitions. In addition, the Army will purchase nearly 40,000 tactical trucks, a large variety of support vehicles, and about 600 aircraft, including the Caribou transports and several types of helicopters. Army missile procurement will include the Hercules, Hawk, and Red Eye air defense missiles; the Honest John, Little John, Sergeant, and Pershing tactical missiles; and anti-tank missiles.

For the Navy, the 1963 shipbuilding program for the general purpose forces involves construction of 29 new ships and major conversions of 33 ships. The proposed new ships include a conventionally powered carrier, a nuclear-powered guided missile frigate, 8 nuclear-powered attack submarines, 5 amphibious ships, and 8 escort vessels.

The conversion program includes modernization of 24 destroyers. The Navy will also procure about 900 aircraft, mostly combat types, including aircraft for attack, reconnaissance, and anti-submarine warfare. Missile procurement will include the Sidewinder and Sparrow air-to-air missiles; the Terrier, Tartar, and Talos surface-to-air missiles; the Bullpup and Shrike air-to-surface missiles; and the Subroc submarine-launched anti-submarine missile. Large quantities of rockets, bombs, modern torpedoes, mines, and other conventional ordnance will also be ordered. A wide variety of weapons and supporting equipment will also be procured for the Marine Corps.

For the Air Force, there will be a substantial increase in the rate of modernization of tactical fighter forces, through continued procurement of the all-weather F-105 aircraft in 1963 and initial procurement in 1962 and 1963 of the versatile F4H fighter. Development work begun in 1962 on a more advanced, long-range, tactical fighter aircraft for use by both the Air Force and Navy will be substantially expanded in 1963. Both the 1963 budget and amended 1962 budget call for a sizable increase in production of new and more effective types of non-nuclear ordnance and for modification of tactical aircraft to enable delivery of heavier loads of such ordnance.

Sealift and airlift.—The forces in this program include the Military Sea Transportation Service (MSTS), the Military Air Transport Service (MATS), and the troop carrier squadrons of the Air Force. The total obligational availability planned for these forces in 1963 is \$1.3 billion, compared with \$1.1 billion in the amended 1962 budget.

The budget will support in 1963 a force of 56 Air Force and Navy troop carrier and air transport squadrons. The Reserve components of the Air Force will maintain an additional 65 squadrons, for which funds are included in the program for the Reserve forces.

Last year a major start was made on the modernization and expansion of the airlift forces, and the 1963 budget will augment further our air transport capacity. Additional quantities of C-130E aircraft will be ordered, and procurement of the new C-141 jet transport will begin. These modern jet transports will adequately meet the needs of the Department of Defense even though fewer squadrons are planned than in 1962. Certain squadrons of the older C-118's and C-124's that had been scheduled to be phased out will be retained for a longer period. It is also planned to retain in active units a portion of the aircraft now assigned to the reserve units on active duty, when these units revert to reserve status.

The Military Sea Transportation Service provides specialized troop transports, cargo ships, and tankers required to support the deployment of military forces but which are not available in the civilian maritime fleet. Our sealift capabilities will be increased by

the procurement in 1963 of a modern cargo ship permitting more rapid loading and unloading of vehicles and tanks.

Personnel strength and force structure.—The estimated Active Forces at the end of fiscal year 1963 compared with the 2 preceding years are shown in the following table:

SUMMARY OF COMPOSITION OF MAJOR ACTIVE ARMED FORCES

Description	Actual	Estimate	
	June 30, 1961	June 30, 1962	June 30, 1963
Military personnel (in thousands):			
Army.....	858	1,081	960
Navy.....	627	666	665
Marine Corps.....	177	190	190
Air Force.....	820	888	869
Total, Department of Defense.....	2,482	2,825	2,684
Military forces:			
Army:			
Divisions.....	14	16	16
Armored cavalry regiments and combat commands.....	7	6	6
Brigades.....	2	1	3
Battle groups (infantry).....	8	9	10
Missile commands.....	4	3	3
Air defense anti-aircraft battalions.....	77	65	63
Surface-to-surface missile battalions.....	24	30	33
Helicopter aircraft inventory—active.....	2,721	2,785	3,039
Fixed-wing aircraft inventory—active.....	2,843	2,818	2,855
Navy:			
Commissioned ships in fleet.....	(819)	(898)	(862)
Warships.....	375	395	383
Other.....	444	503	479
Attack carrier air groups.....	17	18	17
Carrier anti-submarine air groups.....	11	12	11
Patrol and warning squadrons.....	38	53	35
Marine divisions.....	3	3	3
Marine air wings.....	3	3	3
Aircraft inventory—active.....	8,793	9,297	8,950
Air Force:			
USAF combat wings.....	(88)	(98)	(86)
Strategic wings.....	37	37	33
Air defense wings.....	19	18	17
Tactical wings.....	32	43	36
USAF combat support flying forces.....	(119)	(132)	(122)
Air refueling squadrons.....	65	67	59
MATS air transport squadrons.....	21	30	26
Other specialized squadrons.....	33	35	37
Aircraft inventory—active.....	16,905	16,244	15,449

Reserve forces.—The Reserve components of the Army, Navy, Marine Corps, and Air Force are considered together in this program. The military missions of the various components, however, are closely related to those of the Active Forces included in the continental air and missile defense forces, general purpose forces, and airlift and sealift. The total obligational availability planned for these forces in 1963 is \$1.9 billion. Training of the Reserve components will continue to be designed to provide organized units and individual reinforcements prepared to meet the mobilization needs for which they have been established.

The strengths of the Reserve components now planned to be in a paid drill status as of the end of 1963, compared with the 2 preceding years, are as follows:

Component	Actual	Estimated	
	June 30, 1961	June 30, 1962	June 30, 1963
Army Reserve forces.....	695,603	621,800	670,000
Navy Reserve.....	129,948	122,294	125,000
Marine Corps Reserve.....	43,829	45,500	45,500
Air Force Reserve forces.....	135,380	110,950	133,000
Total.....	1,004,760	900,544	973,500

The lower strengths shown for June 30, 1962 in comparison with the strengths shown for June 30, 1961 are due to the temporary mobilization and assignment to the active forces of some reserves in October 1961.

Research and development.—This program contains all of the research, development, test, and evaluation activities not included in other major programs, such as basic and applied research, advanced technology, exploratory development, testing at the national missile ranges, and similar and supporting activities. The total obligational availability to be applied to these purposes in 1963 is \$5.7 billion, compared to \$4.7 billion in the 1962 budget as amended.

The Army's research program includes funds for a wide range of battlefield surveillance and communications equipment, and advanced conventional weapons, ammunition items, and aircraft. Development will continue on the Mauler (a mobile anti-missile and anti-aircraft defense system), the Nike-Zeus anti-missile missile, and the communications satellite program.

The Navy's research program will include such projects as the high capacity Typhon missile system, a new deep-diving high-speed torpedo and other anti-submarine warfare projects, more efficient nuclear powerplants, oceanographic research, and a navigational satellite system.

Air Force research includes the initiation of development of a mobile mid-range ballistic missile and a new general purpose booster vehicle for the national space program. Development will be continued on the B-70 prototype aircraft, major space systems, and other programs

General support.—This program covers the support activities of each service and various agencies which serve the entire Department of Defense, such as the Office of the Secretary of Defense, the Defense Communications Agency, Defense Supply Agency, and the Defense Atomic Support Agency.

These activities include not only the direct support provided for the Armed Forces and the installations at which they are located, but also the gamut of support services customarily provided for the well-being of military personnel and their dependents, such as housing, medical care, community services, and welfare and recreation.

The total obligational availability planned for this program in 1963 is \$12.8 billion, compared to \$12.1 billion in 1962. The increase over 1962 is mainly for communications and intelligence and for retired pay.

Civil defense.—New obligational authority of \$695 million is recommended for 1963 for a further major expansion of the civil defense program recently transferred to the Department of Defense. This is \$440 million more than provided for 1962.

The present program includes the identification and marking of an estimated 50 million shelter spaces in existing buildings as well as a good start on stocking them with necessary supplies and equipment. The amount recommended for 1963 includes \$460 million under legislation being prepared for Federal incentive grants for shelter construction in selected community buildings, such as schools and hospitals. The surveying and marking of existing structures will continue. It is also planned to stock and equip all shelter spaces open to the public in an emergency with a capacity of 50 or more persons, including those identified in the surveys as well as the shelters resulting from the new grant program.

Other existing civil defense activities in the Defense Department budget are expected to be accelerated in 1963; these include warning and alerting programs, radiological monitoring and instrumentation, contributions to State and local governments for civil defense personnel and administrative costs, provision of fallout shelters in existing Federal buildings, and education and information.

Proposed legislation.—Funds are provided under proposed legislation to increase the basic allowance for quarters and the travel per diem allowances for military personnel.

Legislation will also be proposed to establish a "Military Family Housing Fund" which would facilitate the financing of new construction and the management and financial control of all military family housing.

Military assistance.—Our military planning has long recognized the importance of allied forces in maintaining the security of the Free World. Military assistance helps to strengthen the forces of more than 40 nations. New obligational authority of \$1.5 billion is recommended for military assistance for 1963 to provide training and materiel for essential maintenance and selective modernization of forces in the countries receiving aid.

This budget emphasizes the continuing need to develop and maintain effective forces in nations which are faced with serious threats of internal subversion or external aggression. Individually and within mutual defense organizations, such as the North Atlantic Treaty Organization (NATO), the Southeast Asia Treaty Organization (SEATO), and the Central Treaty Organization (CENTO), these forces play vital roles in the defense of vast areas.

In developing nations where the situation warrants, emphasis in providing assistance will be placed on the smaller, mobile forces trained and equipped to maintain internal security and on units trained and equipped to make a constructive contribution to local development. Most of the Western European NATO countries have now assumed full financial responsibility for equipping their own military forces. Others will do so upon completion of our current commitments to provide certain critical items of materiel.

Atomic energy activities.—Expenditures by the Atomic Energy Commission in 1963 are estimated to be \$2,880 million, up somewhat from 1962. Substantial increases in several program areas will be

partially offset by reductions elsewhere, principally in the procurement of uranium concentrates.

Nuclear weapons and related activities.—Expenditures for the production of nuclear weapons will rise in 1963, and design and development work will be further intensified to assure the availability of improved types of nuclear weapons.

A continued high level of effort will be devoted to the development and improvement of nuclear powerplants for submarines and surface naval ships in order to improve further their operating characteristics and efficiency.

Peaceful uses of atomic energy.—It is expected that atomic energy will make substantial and unique contributions to the conquest of outer space. In 1963 efforts will be intensified on the development of nuclear propulsion for rockets (Project Rover) and of highly compact atomic reactors and radioisotope sources to generate electric power for auxiliary use in satellites, space vehicles, and other specialized remote installations (Project SNAP—systems for nuclear auxiliary power).

The development of civilian atomic power will be carried forward in 1963 at about the levels attained in 1962. Atomic fuels offer a valuable supplement to conventional fuels in the short term and an essential replacement for them in the much longer term. Numerous large power reactors have been and are being constructed, from which valuable technical information will be obtained. Expenditures for the development of civilian atomic power and directly related supporting technology will considerably exceed \$200 million in 1963.

Underlying all of the technical development work in the atomic energy program is the fundamentally important work in basic research in the physical and life sciences. The physical research program will expand in 1963 with significantly increased expenditures in high energy physics, low energy physics, chemistry, and metallurgy. Research activities in the life sciences will also be increased, not only in order to expand basic understanding of the effects of radiation upon life processes, but also, in conjunction with related programs of the Department of Health, Education, and Welfare, to equip the Nation better to cope with growing problems in the area of radiological environmental health.

Defense-related activities.—These activities include the Selective Service System, stockpiling of strategic and critical materials, expansion of defense production, and emergency preparedness programs of agencies other than the Department of Defense. Expenditures for these programs are estimated to be \$110 million, or a net decrease of \$22 million from 1962. A reduction in expenditures for defense production expansion is somewhat offset by an increase for emergency medical stockpiling by the Department of Health, Education, and Welfare.

INTERNATIONAL AFFAIRS AND FINANCE

Expenditures for international affairs and finance programs in 1963 are expected to be \$100 million more than in 1962. Major increases for development assistance, largely for long-term loans, are offset in part by a decline in other forms of assistance and by decreases in the net expenditures of the Export-Import Bank and the Department of State.

New obligational authority recommended for international programs for 1963 is estimated to be \$1 billion less than in 1962. This decrease reflects the nonrecurring request in 1962 for authority to provide \$2 billion in supplementary resources to the International Monetary Fund on a loan basis if the need should arise. For regular activities, an increase over 1962 is recommended, mainly for development loans and the Alliance for Progress.

Economic and financial assistance.—Expenditures for economic and financial assistance in 1963 are estimated to be \$202 million greater than in 1962. During the past year there has been a fundamental review and reorientation of our programs of economic assistance. As a result, greater recognition will be given to long-range plans and programs which identify in each developing country the sectors most in need of external support. Much greater emphasis will also be given to the efforts of these countries to marshal their own resources through self-help measures such as land and tax reform.

To give emphasis to this change in direction, the administrative structure of the foreign assistance program has been reorganized. The new Agency for International Development (AID) combines under a single administrator the functions previously performed by the International Cooperation Administration and the Development

INTERNATIONAL AFFAIRS AND FINANCE

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Economic and financial assistance:				
Foreign assistance—economic:				
Development loans.....	\$258	\$450	\$650	\$1,250
Development grants.....	169	204	285	332
Aid to the Alliance for Progress.....		85	225	600
Supporting assistance.....	1,013	740	560	500
Voluntary contributions to international organizations.....	76	140	145	149
Contingencies.....	210	250	295	400
Other.....	78	66	75	166
Inter-American Development Bank.....		110	60	60
International Development Association.....	74	62	62	62
Peace Corps.....		10	52	64
Export-Import Bank of Washington.....	37	—101	—225	
Food for Peace (Public Law 480, title II).....	199	281	300	300
Other:				
Present programs.....	11	11	8	2
Proposed legislation:				
Refugee, migrant, and escapee programs.....			12	12
Inter-American Highway.....			6	18
Subtotal.....	2,126	2,308	2,510	3,914
Foreign information and exchange activities:				
United States Information Agency.....	121	147	159	158
Department of State.....	37	50	63	65
Conduct of foreign affairs:				
Department of State:				
Present programs.....	213	285	245	252
Proposed legislation for purchase of U.N. bonds.....		100		
U.S. Arms Control and Disarmament Agency.....		2	5	6
Tariff Commission and other:				
Present programs.....	3	3	4	4
Proposed legislation for Philippine claims (Foreign Claims Settlement Commission).....			10	73
Total.....	2,500	2,896	2,996	¹ 4,473

¹ Compares with new obligational authority of \$3,256 million enacted for 1961 and \$5,514 million (including \$2,192 million in anticipated supplemental appropriations) estimated for 1962.

Loan Fund, related staff and program services formerly carried out by the Department of State, and the local currency lending activities previously conducted by the Export-Import Bank.

In order to obtain maximum effectiveness from all of the different aid efforts of the United States, the Administrator of AID has been given responsibility for coordinating military assistance with economic assistance, and for relating these programs to others, such as Food for Peace, Export-Import Bank development loans, and certain overseas activities of other Federal agencies.

Development loans and grants.—The United States is providing assistance to developing countries largely in the form of long-term loans repayable in dollars at very low rates of interest. Expenditures for such loans are estimated to increase by \$200 million in 1963, mainly under prior commitments. In addition, \$122 million will be contributed to the capital of the International Development Association and the Inter-American Development Bank to be used for development loans.

The Export-Import Bank will also continue to make a high level of development loan commitments. However, the Bank expects that a substantial share of these loans will be financed with private funds under the Bank's guarantee, with collections on previous loans exceeding new disbursements by \$225 million. A new short-term guarantee program by the Bank, which will provide both credit and political risk coverage on exports, will assist exporters to increase sales, and thus help our balance of payments.

Development grants are being used in growing volume, mainly to promote progress in education, technical skills, and other human needs without which people of a developing country cannot put capital to effective use. Grants are also used for essential roads, harbors, and similar development projects where there is no current prospect of ability to repay loans. Expenditures for development grants are expected to rise by \$81 million in 1963, largely for Africa.

The Alliance for Progress, a major new cooperative effort to speed social and economic development in Latin America, was formally initiated last summer at Punta del Este, Uruguay. A \$3 billion authorization is proposed to cover development loans and grants in support of the Alliance within the next 4 years, with an initial appropriation of \$600 million recommended for 1963. The rate at which assistance is extended to Latin America will of course depend upon the progress made in self-help and economic planning. As an invaluable aid to orderly planning, authority should be granted to make long-term commitments of funds authorized for the Alliance, corresponding to the authority provided for development lending in the last session of the Congress.

Other programs of assistance.—Supporting assistance is granted to countries which need help to support extraordinary defense forces, maintain economic and political stability, and preserve economic independence; such aid is also granted in connection with U.S. bases overseas. With increasing emphasis being placed on development assistance, supporting assistance is declining. Expenditures for this type of assistance are expected to decrease by \$180 million in 1963 and to be reduced further in future years.

This budget also provides for our voluntary contributions for multilateral programs such as the United Nations special fund and technical assistance program, United Nations economic operations in the Congo, and the Indus Valley development program administered by the International Bank for Reconstruction and Development.

Established in March 1961, the Peace Corps brings to developing countries young Americans with needed skills. The service of these volunteers helps meet the needs of the developing areas of the world and also increases understanding between our people and the peoples of these areas. An increase is expected in the number of volunteers from 2,300 in 1962 to 6,700 in 1963.

Grants of surplus agricultural commodities under the Food for Peace program are being increasingly utilized in programs of economic development as well as for disaster relief. Under this program, many school children around the world are receiving bread and milk, and thousands of persons at work on development projects have more adequate diets.

The budget includes expenditures of \$12 million by the Department of State in 1963 under proposed legislation now pending before the Congress for refugee assistance programs.

Foreign information and exchange activities.—The activities of the United States Information Agency will continue to expand, especially in rural sectors and provincial centers in Latin America and Africa. Plans for 1963 call for 11 new branch posts to begin operation in Africa and 10 new branch posts, 9 reading rooms, 10 model community centers, and 10 binational student centers in Latin America.

New broadcasting facilities for the Voice of America, which are now under construction in North Carolina, on the Island of Rhodes, and in Liberia, are expected to be in operation in 1963. The budget also provides for modernization and expansion of certain domestic radio transmitting facilities. Explorations are underway relating to the possibility of strengthening broadcasting facilities in the Far East.

Enactment of the Mutual Educational and Cultural Exchange Act in the last session of the Congress will enable the State Department to conduct exchange of persons programs without depending upon the existence of foreign currency reserves in the Treasury. The Department is therefore better able to meet program needs, especially in Africa and Latin America. Aid will be given to American-sponsored schools abroad to meet the educational requirements of American dependents as well as to demonstrate our educational techniques.

Conduct of foreign affairs.—Expenditures of the Department of State in 1962 include large assessed contributions to the United Nations military operation in the Congo. In addition, legislation is proposed to authorize the United States to purchase in 1962 up to \$100 million of the United Nations bonds which will be issued to meet the financial emergency facing the United Nations. Amounts are included in the 1963 budget to strengthen the Foreign Service, particularly for acquiring necessary office and housing facilities in Africa.

The newly established U.S. Arms Control and Disarmament Agency will increase its own staff and its contract research program to discharge its assigned tasks, including technical research and the formulation and representation of United States policy positions on arms control and disarmament at international meetings.

SPACE RESEARCH AND TECHNOLOGY

A major expansion of the space programs of the National Aeronautics and Space Administration has been undertaken as a result of last year's decision to embark on a program to master space travel; symbolic of this mastery is the effort to achieve a safe manned lunar landing and return before the end of the decade. The programs being carried forward include: (1) the development of the techniques of manned flight and of the complex spacecraft and very large launch vehicles and ground facilities that manned lunar flight will require; (2) the exploration of space by means of unmanned earth satellites and lunar and planetary probes; (3) the development of meteorological and communications satellites; and (4) a wide range of basic research and technological development necessary to support both aeronautical and space efforts.

Expenditures for the National Aeronautics and Space Administration's programs are estimated at \$2.4 billion during 1963, which is \$1.1 billion more than in 1962 and over 3 times the amount spent in 1961. Appropriations of \$3.8 billion in 1963 are recommended in this budget, compared with \$1.8 billion estimated for 1962.

SPACE RESEARCH AND TECHNOLOGY

[Fiscal years. In millions]

Program	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Manned space flight.....	\$237	\$471	\$1,162	\$2,260
Unmanned investigations in space.....	216	333	495	556
Meteorology and communications.....	16	82	138	140
Other research, technology, and supporting operations.....	275	414	605	831
Total.....	744	1,300	2,400	¹ 3,787

¹ Compares with new obligational authority of \$964 million enacted for 1961 and \$1,828 million (including \$156 million of anticipated supplemental appropriations) estimated for 1962.

Manned space flight.—Funds are recommended in this budget to provide for manned flights of long duration during 1963 and for a new series of flights commencing in 1964 to develop a capability for manned spacecraft to rendezvous with other spacecraft in orbit. Funds are also included to continue the development of the three-man Apollo lunar-landing spacecraft initiated during the current year.

The program to develop large launch vehicles for manned lunar flight has been highlighted by the successful flight of the first stage of the Saturn vehicle and the initiation of the much larger Advanced Saturn program. The Advanced Saturn, with clustered engines in the first stage generating a total of about 7 million pounds of thrust, is designed to enable manned flight around the moon by direct ascent or manned landing on the moon and return in the Apollo spacecraft by means of a single rendezvous in earth orbit.

The huge Nova launch vehicle, capable of boosting the Apollo manned spacecraft to the moon by direct ascent, is being developed as an alternative approach. It is now expected that the first attempts at manned lunar flight will be made with liquid fuel rocket engines; development of large solid fuel rocket motors, however, is being continued by the Department of Defense for possible later use.

Unmanned investigations in space.—Unmanned space explorations, from which we have learned so much about the earth and surrounding space, will be continued with funds included in this budget. Explorations near the earth will be conducted primarily by means of large versatile satellites capable of extended observation of the earth, sun, and stars, from which more information can be obtained with fewer launchings. Unmanned lunar exploration will be conducted with the Ranger spacecraft which will be able to land an instrumented capsule on the moon, and development will continue on the more complex Sur-

veyor spacecraft, which will be capable of either landing on or orbiting the moon. These explorations, in addition to having intrinsic scientific value, are required in preparation for manned lunar landing. A Mariner spacecraft designed to send scientific data back to earth from the vicinity of the planet Venus will be launched this calendar year. Development of an advanced Mariner spacecraft is being accelerated to provide for further investigations of both Mars and Venus.

Meteorology and communications.—The meteorological satellite program has consistently been one of the most successful of our space flight efforts. The Tiros III satellite transmitted useful meteorological information, including hurricane warnings, for over four months, and its predecessor, Tiros II, had a useful life of more than a year. It is planned to continue use of the Tiros series of satellites until the potentially more effective Nimbus satellites now being developed take over the weather observation role. These and related efforts are contributing toward the establishment of a national system of operational meteorological satellites.

Progress is being made toward early realization of a satellite network for worldwide communications. Funds available in 1962 and recommended for 1963 will provide for low-altitude Relay satellites which will receive and retransmit communications, for initiating more advanced active communications satellites, and for completing the Syncom program of very high altitude communications satellites initiated in 1961 in cooperation with the Army.

Further experiments with advanced versions of the Echo satellite, which reflects communication transmissions, will also be conducted in 1962 and 1963, including development of the capability to launch several communications satellites with a single vehicle.

Other research, technology, and supporting operations.—Research and development in aeronautical and space technology and the necessary supporting operations will also increase in 1963. Of special importance, the Rover nuclear rocket program continues at an accelerated pace as a joint project of the Atomic Energy Commission and the National Aeronautics and Space Administration. Development of a flight test vehicle using the nuclear engine is being initiated.

AGRICULTURE AND AGRICULTURAL RESOURCES

The great strides made by the United States in recent years in farm productive efficiency have contributed greatly to the Nation's capacity for economic growth. The productive capacity of American agriculture must be used effectively to sustain our levels of living, to

further the Nation's goals for economic growth, and to help meet international responsibilities. The rapid increase in agricultural production, however, has resulted in large budgetary outlays for certain agricultural programs. In the preparation of the 1963 budget each individual program has been examined carefully from the viewpoints of priority and provision for necessary services at the lowest possible cost to the taxpayer.

AGRICULTURE AND AGRICULTURAL RESOURCES

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Farm income stabilization and Food for Peace:				
Price support, supply, and purchase programs:				
Present programs.....	\$1,331	\$2,497	\$2,516	\$2,490
Proposed legislation.....			-434	-423
National Wool Act.....	61	67	70	65
Food for Peace (Public Law 480, titles I and IV).....	1,455	1,489	1,389	1,171
International Wheat Agreement.....	76	81	81	81
Transfer of bartered commodities to supplemental stockpile.....	201	225	250	250
Removal of surplus agricultural commodities.....	203	225	235	274
Conservation reserve.....	363	346	323	323
Sugar Act.....	72	82	87	80
Other.....	39	69	68	70
Subtotal.....	3,801	5,081	4,585	4,381
Financing rural electrification and rural telephones:				
Present programs.....	301	330	370	490
Proposed legislation.....			-136	-136
Financing farm ownership and operation:				
Farmers Home Administration.....	353	158	198	45
Farm Credit Administration.....	-3	-2	*	3
Conservation of agricultural land and water resources:				
Soil Conservation Service (including watershed protection and Great Plains program).....	146	164	181	187
Agricultural conservation program, CCC loan for ACP, and emergency conservation measures.....	251	256	257	244
Research and other agricultural services.....	324	356	380	383
Total.....	5,173	6,343	5,836	¹ 5,598

*Less than one-half million dollars.

¹ Compares with new obligational authority of \$4,895 million enacted for 1961 and \$6,701 million (including \$321 million of anticipated supplemental appropriations) estimated for 1962.

Farm income stabilization and Food for Peace.—About four-fifths of the budget expenditures for agriculture and agricultural resources are for programs to maintain farm income, to help farmers make the production adjustments required by increased productive efficiency in agriculture, and to utilize our current abundant agricultural production in constructive ways at home and abroad including the Food for Peace program.

A comprehensive review of present programs has been made and legislation will be proposed in a special message on agriculture which will be sent to the Congress shortly. This budget reflects the new legislative proposals by reducing 1963 expenditures \$434 million from the amount estimated under present legislation.

The Sugar Act expires on June 30, 1962. Legislation will be proposed extending it with substantial revisions to bring this program into line with the greatly changed world sugar situation. Under this legislation the difference between the domestic and world price of sugar, which is currently received by foreign suppliers of sugar, will be retained by the United States to the extent permitted by existing international agreements, with an estimated increase in 1963 budget receipts of \$180 million.

Through the direct distribution program of the Department of Agriculture, needy families receive government-donated foods distributed through State and local government facilities. This administration has extended the program to additional areas of economic need and has added new items, particularly peanut butter and canned meat. From December 1960 to November 1961, the number of persons in needy families receiving donated food rose from 3.7 million to 6.2 million and the retail value of the donated food rose from less than \$3 to about \$6 per person per month. The budget provides for continuing this program in 1963 as part of the national effort to assist those in need.

A new approach to helping needy families improve their diets and to expand outlets for our agricultural abundance has been explored this past year through pilot food stamp projects operated in eight economically depressed areas. The results during the 7 months that this program has been in operation are encouraging. To provide additional experience, the programs in the eight pilot areas will be continued in 1963 and additional areas will be included.

Under title I of Public Law 480 (the Agricultural Trade Development and Assistance Act), surplus farm commodities are sold abroad for foreign currencies, and under title IV they are sold abroad on long-term dollar credit. These programs, which comprise the major

portion of our Food for Peace program, are designed to maximize the use of food abroad for economic development and to meet the most urgent dietary needs of hungry people, as well as to facilitate reduction of our abundant stocks of agricultural commodities and to promote new markets for our agricultural exports.

Financing rural electrification and rural telephones.—The 1963 estimate of expenditures—and of miscellaneous receipts—reflects legislation which will be proposed to authorize the use of collections on outstanding electrification and telephone loans to help finance new loans. Funds to be available from this source are estimated at \$136 million in 1963. In prior years, such collections were paid into miscellaneous budget receipts. The budget recommendations for 1963 will provide funds for rural electrification loans of \$345 million and telephone loans of \$135 million.

As the demand for electric power in rural areas continues to expand, the rural electric cooperatives must have adequate supplies of power at reasonable prices to meet their needs. The 1963 recommendations include a substantial increase in Rural Electrification Administration loan funds to permit financing of additional generation and transmission facilities. The adequacy of the recommended funds will depend on the willingness of other power suppliers to meet the requirements of the rural electric cooperatives on a reasonable basis.

Financing farm ownership and operation.—Budget expenditures for the loan programs of the Farmers Home Administration are estimated to drop sharply in 1962 and 1963 from the 1961 level, reflecting legislation approved last year authorizing the use of loan collections to finance the direct loan program (except for farm housing loans). Prior to 1962 such collections were paid into miscellaneous budget receipts.

Rural areas development program.—The number of commercial farms has declined 28% in the last 5 years and the number of farmworkers is currently declining at a rate of about 3% a year. The farm output adjustment programs to be recommended in the special message on agriculture will make it necessary to increase our efforts to find suitable employment for excess rural manpower. While adequate growth in the national economy is the key element in bringing about a solution, it is unlikely that this factor alone will be equal to the task of coping with the problem of underemployment in rural areas in the years ahead. The rural areas development program, which complements the activities of the Area Redevelopment Administration of the Department of Commerce, is designed to speed up economic development in rural areas by stimulating and coordinating

the efforts of the Department of Agriculture and other Federal agencies in cooperation with State and local governments and private agencies in furthering this objective. The manpower aspects of the program will be coordinated with the proposed general manpower development and training program of the Department of Labor.

Conservation of agricultural land and water resources.—Small water control structures along with terracing, strip cropping, grass waterways and other erosion control measures are integral parts of the Nation's soil and water conservation effort and complement the larger reservoirs downstream. The estimates for the watershed protection program of the Soil Conservation Service include an increase over 1962 of \$6 million for the growing number of projects—474 under construction or undergoing detailed planning during 1963, compared with 379 in 1962.

Estimated expenditures in 1963 under the agricultural conservation program reflect the \$250 million 1962 program authorized in advance by the Congress in the 1962 appropriation act. This budget proposes an advance authorization for the 1963 program year of \$150 million—which will permit continuation of a substantial sharing by the Government with farmers of the cost of those conservation practices that are in the long-time public interest.

Research and other agricultural services.—This budget proposes 1963 expenditures of \$380 million which will provide for moderate expansion of the research, educational, and regulatory activities and related services of the Department of Agriculture. These activities contribute to the welfare of the public generally as well as to the welfare of the agricultural industry. In accordance with the provisions of Public Law 87-209, approved last year, the budget also includes \$3 million of new obligational authority for 1963 for the new nationwide program to eradicate hog cholera.

NATURAL RESOURCES

The 1963 budget recommendations provide for further strengthening of natural resources programs, with estimated expenditures of \$2.3 billion in 1963 representing a record level.

Land and water resources.—The major share of the \$1.6 billion of estimated 1963 expenditures for land and water resources will provide assets yielding long-term benefits. Most of these expenditures will be for continuing construction on projects for flood control, navigation, irrigation, water supply, hydroelectric power, and in some cases related recreational and fish and wildlife benefits. For the Corps of Engineers, the budget includes appropriations of \$30 million for 36

new water resources projects with an estimated total Federal cost of \$492 million, including the initial contribution for flood control costs of the multiple-purpose Oroville Dam under construction by the State of California on the Feather River. Appropriations of \$4 million are also included for 5 new starts (including 2 small project loans) by the Bureau of Reclamation estimated to cost in total \$85 million.

NATURAL RESOURCES

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Land and water resources:				
Corps of Engineers.....	\$926	\$958	\$1,010	\$1,022
Department of the Interior:				
Bureau of Reclamation.....	266	284	320	345
Power marketing agencies.....	43	39	44	62
Bureau of Indian Affairs.....	61	78	105	98
Bureau of Land Management.....	41	46	48	53
Office of Saline Water.....	3	6	9	10
Tennessee Valley Authority.....	39	78	63	35
Federal Power Commission.....	8	9	11	11
International Boundary and Water Commission and other.....	7	16	19	16
Forest resources:				
Forest Service:				
Payment to Klamath Indians.....	69			
Other.....	246	279	281	236
Bureau of Land Management.....	16	15	16	16
Mineral resources:				
Bureau of Land Management.....	35	38	42	42
Bureau of Mines and other.....	27	30	50	58
Recreational resources.....	91	97	110	94
Fish and wildlife resources.....	73	81	100	103
General resource surveys and administration.....	55	63	68	72
Total.....	2,006	2,117	2,298	2,272

¹ Compares with new obligational authority of \$2,038 million enacted for 1961 and \$2,172 million (including \$59 million of anticipated supplemental appropriations) estimated for 1962.

In line with the recommendations of the Senate Select Committee on National Water Resources, funds recommended for project investigations will give increased emphasis to coordinated planning based on entire river-basin areas. Funds are also included in the 1963 budget for administrative expenses of Federal participation in activities of the Delaware River Commission. Legislation has been recommended

to promote comprehensive, coordinated water resources planning by Federal and State agencies and to authorize Federal grants to strengthen State water resources planning.

The Department of the Interior is moving ahead rapidly on the expanded 6-year program of saline water research. Emphasis is being placed on basic research looking toward new ways of reducing the cost of converting saline water to fresh water.

The Department of the Interior in 1963 will continue its studies of the benefits of interconnecting Federal regional power systems, and of the economic potential of marketing power from pumped storage—that is, power generated as needed by releasing water which has been pumped at off-peak periods and stored in small reservoirs at higher elevations. The budget provides funds for the design of an extra-high-voltage interconnection between the Pacific Northwest and Pacific Southwest, and for the initiation of construction on new power transmission lines by the Bonneville Power Administration and the Southwestern Power Administration. The Bureau of Reclamation will continue construction on a backbone grid to distribute power from the Colorado River storage project.

The increase in power needs in the Tennessee Valley area will require the Tennessee Valley Authority to begin construction in 1963 of a 900,000-kilowatt steam power unit. TVA will also start construction of a lock at Guntersville Dam and a multiple-purpose water control system in the Beech River area in cooperation with local Tennessee agencies, and continue other resource development activities.

Funds are proposed in the 1963 budget for the Federal Power Commission to initiate a coordinated national power survey to determine the most effective means, regardless of ownership, of supplying the country's electric power needs in future periods, and to continue its concerted attack on the accumulated backlog of natural gas regulatory cases.

The Bureau of Indian Affairs in 1963 will emphasize a development program aimed at raising the level of educational achievement and the standard of living of Indians on reservations. The Indian school construction program, accelerated under the 1962 budget amendments, will be further expanded to reduce the large backlog of needed classrooms for children now out of school. To improve the standard of living on reservations, emphasis will be placed on the establishment of industries and other enterprises which will create new job opportunities.

Under the 1963 budget recommendations, cadastral surveys, soil and moisture conservation, and reseeding on the public domain lands will be accelerated by the Bureau of Land Management.

Forest resources.—One of the most urgent needs in the national forests is for roads to provide access for fire protection, timber sales, and recreation. The budget provides for a proposed amendment to the 1960 Highway Act to increase by \$10 million the contract authority for roads and trails.

The 1962 expenditures of the Forest Service include \$38 million for forest fire fighting, the highest on record. Exclusive of fire-fighting costs, estimated expenditures in 1963 for the development program of the national forests will be higher than those in 1962, the main increases being for roads, recreational development, and insect control measures.

Recreational and fish and wildlife resources.—The Secretary of the Interior, in cooperation with other appropriate Federal, State, and local officials, is formulating a comprehensive program which will permit the Federal Government to meet its share of the responsibility for providing outdoor recreational opportunities. These plans will take into account the findings of the Outdoor Recreation Resources Review Commission which will be available shortly.

The increasing use of the national park areas makes increases in the budget of the National Park Service necessary for development and operation of these areas. Legislation has already been recommended to protect wilderness areas of great natural beauty and to preserve some of our remaining magnificent seashores and shorelines.

Funds are recommended for 1963 for the Bureau of Commercial Fisheries to develop and support oceanographic research and survey projects and to carry on marketing and other studies to aid the fishing industry. The Bureau of Sport Fisheries and Wildlife will accelerate the acquisition of wetlands for resting and nesting areas for migratory waterfowl.

Mineral resources and general resource surveys.—The major increase in 1963 expenditures for mineral resources will be for larger purchases of helium under the conservation program of the Bureau of Mines.

The 1963 budget for the Geological Survey provides for extension of research and data collection facilities to marine geology to provide additional information about the vast resources of the ocean. The agency's hydrologic research program is also being expanded.

Early action is recommended with respect to the authorization request now pending in the Congress for the construction of a laboratory and headquarters building to provide urgently needed facilities for the central operations of the Geological Survey.

COMMERCE AND TRANSPORTATION

The 1963 budget provides for increases in present major aids to transportation, improvements in the postal service, acceleration of the new program to redevelop the economies of distressed areas, and expanded scientific and other services to all types of businesses. However, net budget expenditures for these programs are estimated to be reduced by \$384 million from the anticipated 1962 level, reflecting primarily the proposed increase in postal rates.

COMMERCE AND TRANSPORTATION

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Aviation:				
Federal Aviation Agency.....	\$638	\$708	\$781	\$791
Civil Aeronautics Board.....	78	83	85	86
Water transportation:				
Department of Commerce.....	282	351	359	255
Coast Guard.....	276	279	292	308
Panama Canal Company.....	8	15	10	-----
Saint Lawrence Seaway.....	2	2	*	-----
Highways (mainly on national forests and public lands) ..	36	39	44	41
Postal service:				
Existing law:				
Public service costs.....	49	63	248	248
Other.....	865	790	550	553
Proposed legislation:				
Pay revisions (including public service costs) ..	-----	-----	58	60
Rate revisions.....	-----	-----	-595	-595
Advancement of business:				
Small Business Administration.....	103	250	222	306
Department of Commerce:				
Weather Bureau.....	56	73	98	120
National Bureau of Standards.....	22	33	67	68
Other.....	90	96	107	119
Interstate Commerce Commission: Payment on loan guarantee.....	-----	15	-----	-----
Department of the Interior and other.....	*	*	-1	-----
Area redevelopment	-----	44	122	64
Regulation of business	67	76	82	83
Total	2,573	2,915	2,531	¹ 2,507

* Less than one-half million dollars.

¹ Compares with new obligational authority of \$2,937 million enacted for 1961 and \$3,129 million (including \$81 million in anticipated supplemental appropriations) estimated for 1962.

Aviation.—The Federal Aviation Agency is responsible for development and operation of the Federal airways system. Expenditures for these purposes have been rising sharply in recent years and further increases will be necessary to keep pace with growing air traffic and to sustain high standards of air safety and efficiency. Based on the findings of the recently completed study, Project Beacon, a detailed program for improving air traffic control and navigational aids is now being prepared. Research on the technical and economic feasibility of a commercial supersonic aircraft will be accelerated in 1963, with the aim of permitting a decision late in 1963 on whether Government support for the development of a supersonic transport would be in the national interest.

Expenditures by the Civil Aeronautics Board for operating subsidies, mainly to local service airlines, will continue to be substantial in 1963. Last year, the Congress limited subsidies for helicopter operations, the most costly Federal aid per passenger-mile, and requested the Board to develop an orderly program to terminate subsidies for these operations.

Users of the airways are not yet paying an adequate share of the costs of research, development, and operation of the Federal airways from which they directly benefit. As initial steps toward this goal, the revenue measures described on pages 47 and 48 of this document are being proposed. As airline traffic and earnings improve, airline passengers and shippers and other beneficiaries should be expected to pay their share of the heavy direct and indirect costs of providing these services, now borne largely by the general taxpayers.

Water transportation.—Expenditures of the Department of Commerce to aid ocean shipping in 1963 will be \$77 million over 1961 and \$8 million above 1962 levels, primarily because of an acceleration in payments of operating subsidies already earned by shipping companies. As a result, a reduction in operating subsidy expenditures should occur in later years, assuming reasonably stable costs and increased operating efficiency. At the same time, the ship construction program will continue to go forward in 1963 at a level which will permit regular replacement as the vessels in the subsidized fleet reach 25 to 30 years of age.

Coast Guard expenditures will increase by an estimated \$13 million in 1963, primarily to provide expanded loran and other navigational aids and better maintenance of facilities, both ashore and afloat.

Users of the inland waterways now receive substantial benefits from Federal expenditures for constructing, maintaining, and operating these waterways. In line with the policy in other transportation programs, revenue legislation similar to that for users of the airways is

being proposed to recoup a small part of the current Federal outlays for these purposes.

Highways.—Federal highway aids are financed almost wholly through the highway trust fund. Expenditures from that trust fund in 1963 are expected to rise by \$224 million to almost \$3.4 billion. The largest part of these expenditures is for the Federal share in the coming year of the 15-year program already authorized to complete construction of the Interstate Highway System. About 12,300 miles of the Interstate System are now open to traffic and another 14,700 miles are in various stages of development.

The Highway Act of 1961 made commendable progress toward providing adequate revenues to continue Federal-aid highway programs on a pay-as-you-build basis. Legislation is recommended this year to provide annual contract authorizations of \$950 million for both 1964 and 1965 for the primary, secondary, and urban highway programs as well as \$36 million a year for forest and public lands highways.

Postal service.—The expected increase in mail volume from 65 billion pieces in 1961 to 90 billion pieces by 1970 makes increased efficiency imperative. Postal facilities are being modernized, with primary attention to large mail handling centers where opportunities for increased efficiency are greatest. New mechanical and electronic techniques for processing mail are already in use and others are in various stages of development. Funds are being requested to accelerate the development of new devices and to install advanced mail handling machinery in several large new post offices during 1963.

Expenditures required to provide needed postal services in 1963 will exceed anticipated revenues under existing law by an estimated \$798 million. In addition, the proposed legislation to revise the pay systems for Federal employees includes increases in pay scales of postal employees effective January 1, 1963, totaling \$58 million for the remainder of 1963. Appropriations of \$248 million under existing legislation are recommended to cover the total loss on public service items enumerated in the Postal Policy Act of 1958. In line with the congressional policy that the users of the postal service shall pay the full cost of all other services, legislation is again being recommended to increase postal rates enough to cover such costs. As a result, net expenditures in 1963 will be approximately equal to the public service costs.

Advancement of business.—During the past year the Small Business Administration has greatly expanded its financial aids to small businesses unable to obtain private financing. The rate of new business

loan commitments has more than doubled, and an aggressive program of encouraging greater participation by private banks has been initiated, permitting more loans to small business with lower net expenditures in 1963. By the close of 1963 about 900 federally supervised small business investment companies, financed mainly from private sources, will be providing long-term loans or equity funds to small enterprises.

The export promotion programs of the Department of Commerce require considerable expansion as necessary steps in improving our international balance of payments. The appropriations being recommended for the Department in 1963 would provide for more commercial specialists in foreign countries to promote sales of American products, increased operations of the newly established U.S. Travel Service, financial support for 18 trade missions, and a new program for 13 commercial trade and industrial exhibits.

Completion of the 1960 census permits some reduction in the 1963 expenditures by the Bureau of the Census. Increased appropriations are requested, however, to modernize automatic computing equipment and methods of collection of data. The 1963 budget also provides for expanding and improving the quality of statistical data disseminated by other Government agencies, as summarized in special analysis I.

In addition to continued expansion in its regular weather measurement and forecasting services, the Weather Bureau during 1962 and 1963 plans to buy four Nimbus spacecraft, with the expectation that in 1964 they will begin providing daily cloud and radiation data over the entire globe. The 1963 appropriations requested for the National Bureau of Standards include funds to expand its research program and \$35 million to complete construction of its new headquarters in Gaithersburg, Md. The budget for the Coast and Geodetic Survey would continue the enlargement and modernization of the ocean survey fleet required for the expanded national oceanographic program. Action is requested on legislation now before the Congress to authorize planning for Federal participation in the New York World's Fair of 1964.

Area redevelopment.—Under the leadership of the Department of Commerce, seven departments and agencies have launched the newly authorized Federal program to help redevelop areas suffering from chronic unemployment or underemployment. Federal assistance is contingent upon approval of a satisfactory plan for economic redevelopment. Over 250 areas, with a total population of more than 18 million people, have received preliminary approval of such plans. Expenditures estimated for 1963 include \$79 million in loans for industrial projects and public facilities and \$30 million in public facility grants.

HOUSING AND COMMUNITY DEVELOPMENT

The Housing Act of 1961 broadened and extended the major existing Federal programs for housing and community development, added important new programs, and provided funds in some cases for several years to come. Net expenditures are estimated to rise by \$287 million in 1963 primarily because of substantial increases in special assistance mortgage purchases and higher outlays for urban renewal and other community development activities.

Urban renewal capital grants.—The 1961 legislation doubled the authority provided in the preceding 12 years for Federal capital grants to help local communities remove and prevent urban blight. As a result, during 1962 and 1963 the Urban Renewal Administration expects to authorize the planning of almost 500 new projects and to approve for actual execution completed plans for 280 projects. While almost all of the expenditures for these projects will not occur until later years, capital grant disbursements for previously authorized projects will increase by an estimated \$114 million in 1963.

HOUSING AND COMMUNITY DEVELOPMENT

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Urban renewal and community facilities:				
Urban renewal capital grants.....	\$142	\$211	\$325	-----
Public facility loans (excluding transportation loans).....	10	23	39	-----
Urban mass transportation:				
Present programs.....		13	33	-----
Proposed legislation.....			15	\$100
Open space grants.....		8	42	50
Other.....	10	22	28	33
Public housing programs.....	150	166	193	200
Aids to private housing:				
Housing and Home Finance Agency:				
Federal Housing Administration.....	-7	214	111	184
Federal National Mortgage Association.....	75	12	184	-----
Housing for the elderly—direct loans.....		13	20	100
Other.....	-77	8	17	17
Federal Home Loan Bank Board.....	-35	-239	-270	-----
Aids to National Capital Area:				
District of Columbia.....	50	90	85	63
Other.....	1	4	9	9
Total.....	320	545	832	1 755

¹ Compares with new obligational authority of \$4,082 million enacted for 1961 and \$621 million (including \$1 million of anticipated supplemental appropriations) estimated for 1962.

Public facility loans.—Legislation enacted in 1961 authorized a fivefold increase in long-term Federal loans to help local communities finance water, sewer, and other needed public facilities, and also required these loans to be made at lower interest rates than in previous years. As a result, loan commitments, which mainly aid smaller communities, will increase to an estimated \$100 million in 1963.

Urban mass transportation.—The Congress likewise recognized the need for Federal assistance for urban mass transportation by providing new authority for planning and demonstration grants and for emergency loans on a temporary and limited basis pending further studies by the Housing and Home Finance Agency and the Department of Commerce. These studies have now demonstrated the key importance of area-wide transportation planning and comprehensive development planning for metropolitan and other large urban areas. Other findings include (1) the need for experimentation in new and improved mass transit services, including stimulation of mass transit technology, and (2) the inadequacy of local and private resources to restore balance in urban transportation systems as long as Federal aid for urban transportation is exclusively for highway programs, particularly the Interstate System. This budget includes funds to support the legislative recommendations for further Federal assistance to urban mass transport which will later be transmitted to the Congress.

Open space grants.—In authorizing for the first time Federal grants to cover 20% to 30% of the cost of open space acquired in or near urban areas, the Congress recognized the importance of early acquisition of permanent areas for recreational and other purposes in and near the rapidly expanding cities. The 1963 budget request of \$50 million will enable an estimated \$200 million of such land to be bought with combined Federal, State, and local resources.

Public housing programs.—Local housing agencies expect to complete 30,000 additional low-rent public housing units in time for occupancy during 1963, requiring an increase in Federal contributions under previous contracts. During the year an additional 34,000 units will be placed under construction, so that by the year's end almost 600,000 units will be either occupied or in process of construction. An increasing share of these units is being designed for use by elderly low-income families or individuals, and the 1961 legislation authorized limited additional Federal contributions where necessary to permit such occupancy.

Federal Housing Administration.—The long-established comprehensive mortgage insurance system administered by the Federal Housing Administration was further broadened in the 1961 legislation, particularly to provide more liberal insurance for housing for middle- and lower-income families and for rehabilitation of existing housing. In 1963 commitments will be issued for insurance of mortgages financing over 1,000,000 housing units and by the close of the year, outstanding mortgages totaling almost \$44 billion will be covered by Federal insurance. This is a self-supporting program. Over the years income from premiums has been adequate not only to cover all expenses and losses, but also to accumulate large reserves. In 1962 and again next year, insurance claims arising from defaults are expected to require outlays substantially greater than current cash receipts. These costs will be largely recovered in later years when the properties and loans acquired are sold to other buyers.

Federal National Mortgage Association.—The new types of insured mortgages authorized by the 1961 legislation, especially those financing moderate-income housing, are requiring very substantial increases in purchase commitments under the special assistance program of the Federal National Mortgage Association; commitments for these and other mortgages are estimated at \$1 billion in 1963. However, net expenditures will be much lower, primarily because most of the actual purchases will take place in later years. In addition to purchases of such special types of mortgages which are reflected in budget expenditures, the Association also conducts a secondary market operations trust fund which purchases and sells insured and guaranteed mortgages.

Housing for the elderly.—In the past year the direct loans authorized in 1959 to provide long-term low-interest financing for housing for elderly families and persons have attracted widespread interest from nonprofit institutions and other eligible groups. In 1963 loans will be approved on an estimated 10,000 units. Additional appropriations of \$100 million are requested in the budget together with legislation to remove the present \$125 million limitation on such appropriations.

Federal Home Loan Bank Board.—The largest single source of financing for private housing is the savings and loan associations. Most of their funds come from savings insured by the Federal Savings and Loan Insurance Corporation, under the jurisdiction of the Federal Home Loan Bank Board. Legislation enacted by the Congress last session requiring advance payments of insurance premiums is enabling the Corporation to build up its insurance reserves at a much more rapid rate than in earlier years.

District of Columbia.—Federal budget expenditures include both regular annual payments to the District to help finance its operating requirements, and long-term loans for necessary capital improvements. Legislation is proposed to authorize increased appropriations for both types of Federal assistance in line with the expanding requirements of the District.

HEALTH, LABOR, AND WELFARE

The 1963 budget provides for substantial increases in a wide range of health, labor and manpower, and welfare programs which help meet human needs and also represent an investment in human resources. A principal objective on which greater emphasis is to be placed in 1963 is the reduction of poverty and delinquency through increased welfare and rehabilitation services.

Health services and research.—The Federal Government's role in improving the Nation's health is a large and growing one. For example, the Government in the current year is supporting about three-fifths of the more than \$1 billion being spent for medical research in this country.

In 1963, the Department of Health, Education, and Welfare will spend an estimated \$1.4 billion for health services and research. More than half of this total is to be spent by the National Institutes of Health for medical research and related training and facilities. The 1963 budget for the Institutes recommends a significant increase for research project grants and for the support of clinical research centers, and provides for the training of additional technical manpower with increased emphasis on skills needed in mental health work. The estimated increase of more than \$100 million in expenditures in 1963 will provide for an expansion of the Institutes' programs consistent with sound planning and competing demands in other health programs and other scientific fields. These activities will be augmented under the proposed legislation to create a National Institute of Child Health and Human Development and a National Institute of General Medical Sciences within the National Institutes of Health.

The 1963 budget includes funds for the legislation proposed to the last session of the Congress to authorize Federal grants to assist in construction of new medical, dental, osteopathic, and public health schools. This legislation would also provide scholarships for students and would extend for three additional years the Federal program of matching grants for construction of health research facilities.

Federal expenditures for hospital construction are estimated to reach an all-time high of \$196 million during 1963 as the large volume of projects for which appropriations were enacted in prior years reaches the construction stage.

HEALTH, LABOR, AND WELFARE

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Health services and research:				
National Institutes of Health:				
Research and training.....	\$420	\$603	\$711	\$780
Grants for construction of health research facilities.....	22	25	30	50
Proposed legislation for medical education assistance.....			9	34
Hospital construction activities.....	160	176	196	176
Community and environmental health.....	70	113	134	148
Grants for construction of waste treatment facilities.....	44	45	55	90
Other.....	222	250	273	296
Labor and manpower:				
Temporary extended unemployment compensation.....	511	359		
Repayable advances to unemployment trust fund.....	49	-55	-3	
Unemployment compensation for Federal employees and ex-servicemen.....	171	144	131	131
Other.....	78	97	106	111
Proposed legislation:				
Manpower development and training.....			60	100
Youth employment opportunities.....			60	75
Public assistance:				
Present programs.....	2,170	2,574	2,692	2,699
Proposed legislation:				
Public welfare improvement.....			93	93
Assistance to Cuban refugees.....			42	45
Other welfare services:				
School lunch and special milk programs:				
Present programs.....	241	274	271	275
Proposed legislation.....			20	20
Vocational rehabilitation:				
Present programs.....	70	83	96	101
Proposed legislation for vocational rehabilitation for peacetime ex-servicemen.....			11	11
Military service credits:				
Payment to OASDI trust funds.....			79	79
Proposed legislation for payment to railroad retirement account.....			16	16
Other.....	15	18	23	17
Total.....	4,244	4,708	5,105	¹ 5,348

¹ Compares with new obligational authority of \$4,681 million enacted for 1961 and \$5,203 million (including \$248 million in anticipated supplemental appropriations) estimated for 1962.

Population and industrial growth with accompanying technological advances continue to place ever-increasing consumer protection responsibilities on the Food and Drug Administration. The 1963 budget provides for a 25% increase in the staff of the agency, to permit an increase in all phases of the agency's consumer protection activities, with particular attention to health hazards resulting from the use of pesticides on food crops, and strengthened enforcement activities relating to the manufacture and sale of drugs.

The Public Health Service, as part of its expanding community health activities, will provide substantially increased assistance to the States in the improvement of diagnostic laboratory services, increase research in health practice and medical economics, and initiate a venereal disease eradication program. Increased emphasis is provided for health services to the chronically ill and aged, including expanded grants to States and localities. The budget also provides for expanded research on the environmental health problems of air and water pollution and radiation exposure, and expanded monitoring and surveillance of radiological fallout. To carry out the provisions of the Water Pollution Control Act Amendments of 1961, the budget provides for strengthening Federal enforcement activities, expanding river basin studies, initiating construction of water pollution laboratories, and increasing grants to States and communities for construction of waste treatment works.

Labor and manpower.—Budget expenditures in 1963 for labor and manpower programs are expected to be \$191 million less than in 1962, principally because of the termination of temporary extended unemployment compensation. Permanent improvements in the unemployment compensation system are again proposed, including a permanent system of extended unemployment benefits; these improvements are to be financed through the unemployment trust fund.

The need for retraining workers who have no market for their present skills exists across the Nation. Accordingly, the budget provides for the manpower development and training bill submitted last year to authorize on-the-job training and instruction in vocational schools for unemployed workers. A start on meeting this need in areas suffering from persistent unemployment has been made under the area redevelopment program.

Among youth, especially those who have dropped out of school prematurely, the already serious problem of finding jobs will be aggravated considerably in the next few years by the rising influx of young people into the labor market. Funds are included in the 1963 budget for the youth employment opportunities bill recommended last year to provide a 3-year program of experimental projects for training of

youth in local works projects, in conservation camps, and in on-the-job training positions.

The budget also proposes a strengthening of the Department of Labor so that it can give concerted attention to analysis of national manpower requirements and resources, and provides for a continued expansion of the United States Employment Service financed by trust fund expenditures.

Social insurance and welfare.—The 1963 budget provides for further improvements in Federal social insurance and welfare programs, which provide income to an average of 28 million beneficiaries.

Social insurance.—Major economic security programs are operated through trust funds, outside of the regular budget: old-age, survivors, and disability insurance; the railroad retirement and Federal retirement systems; and unemployment insurance. These trust funds are financed from Federal taxes on employers or employees or through special contributions. During 1963, it is expected that an average of 21 million beneficiaries will receive benefits, of which nearly two-thirds will be retired persons. The trust fund expenditures, mainly for benefit payments, are estimated to total \$21.6 billion in 1963.

A major risk not yet provided for through social insurance is the cost of medical care, particularly for the aged who experience a high incidence of costly sickness in a period of life when incomes and resources are typically scanty. The estimates in this budget provide for the legislation which is again recommended to broaden the social security system to include health insurance for the aged.

Public assistance.—Expenditures in 1963 for public assistance to aid the aged, blind, disabled, medically indigent, and dependent children are estimated at \$2.8 billion. Federal expenditures for public assistance benefits and services under existing programs in 1963 will constitute about three-fifths of the estimated total Federal-State-local outlays of \$4.6 billion for these purposes. These outlays will help provide aid to a monthly average of 6.6 million needy Americans, and, in addition, help meet medical and hospital expenses for more than 700,000 medically indigent aged persons during the year.

A careful review of the experience in the public assistance programs since they were instituted on a Federal-State basis in 1935 indicates that money payments are not the only measures needed to combat the problem of want and human neglect for many families and individuals on the welfare rolls, particularly those receiving aid for dependent children. The Secretary of Health, Education, and

Welfare has therefore begun to redirect and reorganize the public assistance programs by introducing and augmenting services to overcome and prevent dependency. The 1963 budget recommendations include provision for expenses arising from the Secretary's administrative action and for extension of present temporary programs, largely for children of the unemployed. In addition, expenditures of \$93 million are estimated for proposed legislation to stimulate and improve services to reduce dependency and provide for related improvements in benefits, including authority for increased grants for child welfare services.

The 1963 budget includes \$42 million in estimated expenditures by the Department of Health, Education, and Welfare for assistance to Cuban refugees under legislation now pending before the Congress for refugee assistance programs.

Other welfare services.—The 1963 budget for vocational rehabilitation provides Federal appropriations to match fully all the State funds which are estimated to be available for this purpose. During 1963 the Federal-State vocational rehabilitation programs are expected to return approximately 110,000 persons to gainful employment; the number of persons aided has increased each year since 1954. In addition, the budget includes \$11 million for proposed legislation to authorize vocational rehabilitation for severely disabled peacetime ex-servicemen at Federal expense through the Federal-State system.

Grants to the States through the school lunch and special milk programs of the Department of Agriculture are estimated to increase in 1963 by \$17 million over 1962. The estimate includes the cost of legislation to amend the National School Lunch Act to provide a more equitable formula for the distribution of cash assistance to the States and also to provide a statutory basis for the direction of increased assistance to particularly needy areas and schools.

The railroad retirement system is confronted with a substantial actuarial deficiency and the railroad unemployment system also has had to borrow substantial funds in recent years. The administration is giving intensive attention to means of placing these programs on a solvent basis.

The Federal Government is required to reimburse the railroad retirement system for military service credits to railroad workers who were in the Armed Forces. Present law requires the Government to pay both the employers' and employees' taxes for such credits on behalf of many former railroad workers who did not return to railroad employment after military service and who therefore will not qualify for railroad retirement benefits. It also requires payments

both to the railroad retirement account and to the OASDI trust funds for the same military service benefits. Legislation to provide a revised basis for financing such military service credits will be submitted shortly and the budget includes \$16 million to finance the first-year payment to the railroad retirement account.

This budget also includes \$79 million for the first of seven annual installments of appropriations to meet the Federal Government's \$550 million obligation to reimburse the OASDI trust funds for the added cost of past benefits based on military service credits. Such noncontributory credits were authorized to provide social security insurance coverage on assumed earnings of \$160 a month for all servicemen who served in the Armed Forces from September 16, 1940, through December 31, 1956.

EDUCATION

The new and expanded programs for education proposed in the 1963 budget represent an important step toward the goal of giving every young American the opportunity for the best education commensurate with his abilities.

Today, two out of every five youths are dropping out of school before completing high school. A significant part of our present manpower problems can be traced to inadequate education and training. One out of every 16 workers is unemployed while the Nation has shortages of scientists, teachers, physicians, nurses, many skilled craftsmen, and other categories of professional and trained workers.

Pupil enrollments are expected to increase by approximately 30% from 1960 to 1970, including a doubling of enrollments in colleges where the cost of education per student is several times the cost of elementary and secondary education. To provide the necessary educational facilities, to raise the salaries of the teaching profession, to improve the quality of instruction, and to provide necessary student aid for able college students will require that total national outlays for education be increased by more than three-fourths during this decade. Expenditures for higher education alone will have to rise at even a faster rate.

Although Federal expenditures for education are rising, they of course represent only a small proportion of total national outlays for education. Expenditures for education programs are estimated to be \$1.5 billion in 1963, an increase of \$327 million over 1962. The new obligational authority of \$2.4 billion represents an increase of \$1.1 billion.

Aid to elementary and secondary education.—To help overcome severe shortages of teachers and facilities and provide high quality instruction in the elementary and secondary schools, the budget pro-

vides for the legislation recommended last year. This legislation proposes a 3-year program to provide \$2.1 billion in Federal grants for teachers' salaries and educational facilities on the basis of each State's public school enrollment and per capita income, provided that a State's own effort or contribution is maintained or increased.

EDUCATION

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Assistance for elementary and secondary education:				
Proposed legislation:				
Aid to public elementary and secondary education.....			\$90	\$600
Improvement in educational quality.....			40	120
Assistance to schools in federally affected areas:				
Present programs.....	\$279	\$291	290	287
Proposed legislation.....			-36	-58
Defense education science, mathematics, and foreign language instruction and other assistance.....	54	66	73	87
Assistance for higher education:				
College housing loans.....	198	250	375	300
Proposed legislation for aid to higher education.....			21	332
Defense education student loans, fellowships, and other assistance.....	72	100	118	119
Assistance for land-grant colleges, Howard University, and Gallaudet College.....	15	29	28	29
Assistance to science education and basic research:				
National Science Foundation:				
Basic research.....	82	124	164	247
Science education.....	62	74	93	111
Other aid to education:				
Vocational education:				
Promotion of vocational education.....	40	40	41	42
Area vocational education (National Defense Education Act).....	8	12	14	15
Other defense education assistance.....	9	8	8	8
Indian education services.....	66	68	81	83
Library of Congress and Smithsonian Institution.....	37	54	42	38
Other.....	22	25	29	35
Total.....	943	1,143	1,470	12,396

¹ Compares with new obligational authority of \$1,333 million enacted for 1961 and \$1,278 million (including \$16 million in anticipated supplemental appropriations) estimated for 1962.

In the last several years, teacher training institutes, research projects, and course content improvement studies financed by the National Science Foundation and the Office of Education have revealed poten-

tialities for rapid improvement in the quality of education, both in the elementary and secondary schools and in the colleges, through supplementary training of teachers and the use of improved teaching media, techniques, and curricula. Legislation is being requested to extend the scope of this work through a new program of grants by the Office of Education for improving the quality of education. The budget for 1963 includes \$120 million in new obligational authority and estimated expenditures of \$40 million for this purpose.

Assistance to schools in federally affected areas.—Federal grants are provided for construction of classrooms and for operating expenses in school districts in which enrollments are significantly increased as a result of Federal employment. The 1963 budget includes appropriations of \$229 million for these programs, reflecting the estimated effect of previously proposed legislation to reduce grants to localities for children whose parents work on Federal property but live on taxable property.

Defense education program.—Expenditures under the National Defense Education Act are estimated to increase \$27 million over 1962, principally for student loans and laboratory equipment grants. This program has contributed to improvement of education at both elementary and higher levels.

At the elementary-secondary level, the Federal Government by the end of 1963 will have shared in the costs of nearly \$400 million worth of science, mathematics, and foreign language laboratory equipment. It also will have helped approximately 15,500 elementary and secondary school teachers to participate in foreign language teaching institutes, and about 14,000 secondary school counselors to benefit from special training programs.

In aids to higher education, the Act has provided about 495,000 loans to college students between 1959 and 1962, with another 190,000 loans estimated to be made in 1963. By the end of 1963, 7,000 graduate fellowships will have been awarded to expand graduate programs for training of college teachers, and approximately 3,500 individuals will have received advanced training in foreign area and language studies.

Aid to higher education.—The Office of Education has estimated that in order to accommodate the expected doubling of college enrollments between 1960 and 1970, the average rate of construction would have to proceed at more than double the rate achieved in the last 10 years.

Last year, the Congress enacted legislation extending the college housing loan program for 4 years and authorizing \$300 million a year in new loans. The budget provides for legislation recommended last year to authorize a similar long-term low-interest loan program for academic facilities; this proposal would authorize \$300 million in loans each year for 5 years for the construction and modernization of college classrooms, laboratories, libraries, and related facilities. The proposal would also authorize a total of 212,500 4-year scholarships, including 25,000 in the first year, for able college students who need financial aid.

Assistance to science education and basic research.—Expenditures by the National Science Foundation for the support of science are estimated to be \$257 million in 1963. Of this total, \$164 million is for the support of basic research and research facilities, an increase of \$40 million over 1962 largely for basic research projects in colleges and universities and for research facilities, including matching grants to improve graduate research laboratories.

Expenditures of \$93 million by the Foundation for science education will provide a \$19 million increase over 1962 chiefly for graduate fellowships, matching grants to improve instructional laboratory equipment in colleges and universities, and for course content improvement projects to strengthen curricula in science and mathematics.

Other aid to education.—This budget provides for modest improvements in vocational education programs. A new program is being recommended to reduce adult illiteracy through development and support of State literacy programs, special training for teachers, and development of teaching materials and methods.

VETERANS BENEFITS AND SERVICES

Budget expenditures in 1963 for veterans programs are estimated to be \$274 million less than in 1962. This net decrease results principally from the planned sale of \$250 million in mortgage notes received by the Veterans Administration from the sale of properties acquired in the housing loan guarantee program and the payment in 1962 of \$48 million in special dividends to holders of life insurance policies issued to veterans of the Korean conflict.

Veterans programs, involving payments to about 4½ million beneficiaries each month, are characterized by an increasing proportion of expenditures devoted to pension and medical care benefits for needy veterans with a corresponding decrease in the proportion for compensation and readjustment benefits. Apart from the special factors

affecting the 1963 estimate, noted above, veterans expenditures in the coming year will follow this longer run pattern.

Service-connected compensation.—Expenditures in 1963 for compensation benefits are estimated to increase by \$48 million over 1962. The increase results from the proposed adjustment in disability compensation rates which is estimated to require expenditures of \$64 million in 1963. There will be an average of 2,357,000 cases involving compensation payments for service-disabled veterans or survivors of veterans in 1963, 16,000 less than in 1962, and 41,000 less than in 1961.

VETERANS BENEFITS AND SERVICES

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Service-connected compensation:				
Present program.....	\$2,034	\$2,009	\$1,993	\$1,993
Proposed legislation to raise rates.....			64	64
Non-service-connected pensions.....	1,532	1,670	1,784	1,784
Readjustment benefits:				
Education and training.....	237	141	84	84
Direct housing loans.....	152	161	150	200
Loan guarantee and other benefits.....	169	196	-149	7
Hospitals and medical care:				
Medical care and hospital services.....	945	989	1,011	1,018
Construction of hospitals.....	51	65	68	76
Medical administration, research, and other.....	34	42	42	42
Other veterans benefits and services:				
Insurance and servicemen's indemnities.....	25	70	24	33
Burial and other allowances.....	55	55	55	55
Veterans Administration general operating expenses and other.....	179	175	171	170
Total.....	5,414	5,572	5,298	¹ 5,526

¹ Compares with new obligational authority of \$5,586 million enacted for 1961 and \$5,580 million (including \$178 million in anticipated supplemental appropriations) estimated for 1962.

Non-service-connected pensions.—An increase of \$114 million in expenditures is estimated in 1963 for pensions, based on an expected rise of 139,000 in pension caseloads. An average of 2,011,000 veterans or survivors will receive pensions in 1963, compared to an estimated 1,872,000 in 1962 and 1,691,000 in 1961. These increases result in part from the raising of income limitations and from the granting of pension eligibility to survivors of veterans of World War II and

the Korean conflict by the Veterans Pension Act of 1959. In addition, World War I veterans continue to come on the rolls in large numbers because of their advanced age. World War I veterans and their survivors constitute the largest group on the pension rolls; by 1963, about half of the 2,400,000 living World War I veterans will be receiving pensions.

Readjustment benefits.—Expenditures for education and training benefits are estimated to decline by \$57 million from 1962 to 1963, principally because of a reduction in the number of veterans of the Korean conflict in training. Eight years have now elapsed since the termination of hostilities in Korea and the great majority of those veterans are well established in their civilian pursuits. The number in training will average 52,000 in 1963, compared to 174,000 in 1961 and 98,000 in 1962.

Expenditures for direct housing loans to veterans in rural areas and small towns are expected to decrease somewhat compared to 1962, but approximately 25,000 loans will be made in each year.

Expenditures in 1963 for acquisition of properties and for payment of claims on defaulted loans guaranteed by the Veterans Administration are estimated to decline from the unusually high levels of 1962 which were affected by the 1960–61 recession. The planned sale of \$250 million of mortgage notes in 1963 will cover these expenses and in addition produce substantial excess receipts. The disposal of these notes will reverse the trend toward accumulation of large numbers of housing mortgages from veterans and nonveterans which must now be serviced by the Veterans Administration and will lead to reductions in future administrative costs.

Hospitals and medical care.—The budget includes expenditures of \$1,053 million for hospitals and medical care (including administration and research) in 1963, an increase of \$22 million over 1962. This increase will permit continued improvement in the quality of medical care in the hospitals and clinics and further progress in activation of a new hospital at Brecksville, Ohio. Hospital and domiciliary care will be provided for an average of 141,900 beneficiaries per day in Veterans Administration, contract, and State facilities, and for a total of 3,628,000 visits by veterans to outpatient clinics or to private physicians paid by the Veterans Administration on a fee basis for services to qualified veterans.

Hospital construction.—An appropriation of \$76 million is proposed for 1963, the third step in carrying out the \$900 million 12-year hospital modernization program initiated in 1961. Construction of three replacement hospitals containing 2,380 beds will be begun in

1963, and planning will be initiated for two others. In addition, a number of modernization projects will be undertaken, including \$3 million for new medical research facilities.

Other veterans benefits and services.—A decrease in insurance and indemnity expenditures is estimated in 1963, resulting from the completion of \$10,000 indemnity payments to a number of survivors of veterans deceased during the Korean conflict and from the fact that 1962 expenditures included \$48 million in the form of special insurance dividends distributed to policyholders under the Korean conflict veterans life insurance program. The decline in expenditures for the general operations of the Veterans Administration is based on reductions in workloads and continued improvements in productivity.

Veterans life insurance trust funds.—These trust funds involve about 5½ million life insurance policies issued to veterans of World War I and World War II. Receipts are principally from premiums and interest on investments, while expenditures are mainly for death and disability claims and dividends. Trust fund expenditures are estimated to decline from \$749 million in 1962 to \$674 million in 1963, mainly because the 1962 expenditures included special dividend payments to help speed economic recovery from the 1960–61 recession.

INTEREST

Interest payments, predominantly on the public debt, account for about 10% of estimated total budget expenditures in 1963.

INTEREST

[Fiscal years. In millions]

Item	New obligational authority and budget expenditures		
	1961 actual	1962 estimate	1963 estimate
Interest on public debt.....	\$8,957	\$8,900	\$9,300
Interest on refunds of receipts.....	83	88	88
Interest on uninvested funds.....	10	10	10
Total.....	9,050	8,998	9,398

Interest payments on the public debt are estimated to rise by \$400 million in 1963, although the public debt at the end of fiscal 1963 will be slightly below the debt at the end of 1962. About half this increase reflects the fact that outstanding debt bearing interest will

be about \$5 billion higher on the average in 1963 than in the current year. The remainder arises from the higher rates on obligations issued recently to refinance maturing securities which were originally issued when market rates of interest were lower.

GENERAL GOVERNMENT

Expenditures for the general administrative and law enforcement activities of the legislative, judicial and executive branches of the Federal Government are estimated at \$2 billion, about 2% of total 1963 expenditures. The estimated increase of \$117 million over 1962 expenditures is predominantly for improved administration of the tax laws and for construction of Government buildings.

Legislative and judicial functions.—Construction of an additional office building for the House of Representatives will be completed during 1963. The 73 new judgeships authorized in the last session of the Congress involve expenditure increases in both 1962 and 1963 for added court personnel, space, and equipment.

Central fiscal operations.—An increase of \$61 million in expenditures is estimated for 1963 for the Internal Revenue Service under existing laws, mainly to carry out the third step in a long-range program to modernize the administration of the present tax laws. This action is essential not only to close existing revenue gaps, but also to encourage voluntary compliance by taxpayers. As part of the program in 1963, automatic data processing equipment will be used in tabulating many personal income tax returns, permitting a much more thorough cross-checking of records. The extension of these improved techniques to all returns in later years will permit better administration and still further increases in collections. An additional increase of \$19 million in expenditures is estimated for the Treasury Department to carry out the proposals for withholding of taxes on interest and dividend payments.

The Renegotiation Act, which provides for the recapture of excess profits on certain Government contracts, expires on June 30, 1962. An extension of this legislation is being proposed.

General property and records management.—Expenditures for construction of new Government buildings, primarily financed by appropriations made in earlier years, are estimated at \$186 million in 1963, an increase of \$42 million over 1962; this amount includes site acquisition and planning. The 1963 budget provides appropriations of \$192 million to enable the General Services Administration to meet part of the accumulated needs for space required for efficient Govern-

ment operations. An increase of \$18 million in expenditures is also planned for repairs and improvements in existing buildings, including alterations to provide new Federal court facilities.

GENERAL GOVERNMENT

[Fiscal years. In millions]

Program or agency	Budget expenditures			Recommended new obligational authority for 1963
	1961 actual	1962 estimate	1963 estimate	
Legislative functions.....	118	142	130	112
Judicial functions.....	52	59	63	64
Executive direction and management.....	22	26	23	25
Central fiscal operations:				
Present programs:				
Internal Revenue Service.....	408	447	508	513
Other.....	200	217	219	222
Administration of proposed withholding of taxes on investment income.....			19	20
General property and records management:				
General Services Administration.....	352	465	538	549
Central Intelligence Agency building.....	19	9	*	
Central personnel management:				
Department of Labor.....	66	67	66	66
Civil Service Commission.....	74	40	42	41
Protective services and alien control:				
Department of Justice.....	279	292	299	303
Other.....	10	11	12	12
Other general government:				
Territories and possessions.....	74	84	100	94
Claims and other.....	35	51	7	13
Total.....	1,709	1,910	2,027	¹ 2,035

*Less than one-half million dollars.

¹ Compares with new obligational authority of \$1,860 million enacted for 1961 and \$1,979 million (including — \$27 million in anticipated supplemental appropriations) estimated for 1962.

Central personnel management.—Budget expenditures by the Civil Service Commission in 1963 are estimated to be somewhat higher than in the current year, but \$32 million less than in 1961. Cost-of-living increases enacted in 1958 for certain retired employees and their survivors are now being paid from the civil service retirement and disability trust fund pursuant to Public Law 87-114, approved July 31, 1961. Accordingly, rescission of the \$45 million appropriation enacted for 1962 for this purpose is recommended.

An adequate long-range financial plan should be established for the civil service retirement system, which provides survivorship, disability, and retirement protection for more than 2 million Federal

employees. Legislation has been proposed: (1) to continue the present policy under which employing agencies match current contributions by employees; (2) to provide that the net accumulated employee contributions be fully maintained in the fund at all times; and (3) to authorize a permanent indefinite appropriation which may be used at any future time as necessary to permit benefits to be paid as stipulated by law without reducing the fund below this minimum level.

Protective services and alien control.—Expenditures for investigative activities of the Federal Bureau of Investigation and for the litigation carried on by the Department of Justice are estimated to rise by \$7 million in 1963, largely because of increased efforts to enforce the income tax laws and the special campaign against racketeering and organized crime recently intensified by the Attorney General.

Prison population continues to rise, reflecting in part a trend toward increased length of sentences. An appropriation request of \$57 million for the Federal Prison System includes funds necessary to provide a site and plans for a new psychiatric prison institution. This will be the first step in a new 10-year program to provide facilities of the types and in the locations most urgently required.

Territories and possessions.—Increased appropriations are recommended for 1963 to carry forward the program launched last year for development of American Samoa and to expand the similar program for the Trust Territory of the Pacific Islands.

Table 13. NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY FUNCTION AND AGENCY (in millions of dollars)

Description	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1961 actual	1962 estimate	1963 estimate	1961 actual	1962 estimate	1963 estimate
050 NATIONAL DEFENSE						
051 Department of Defense, military functions:						
Military personnel.....	11,778	13,018	13,230	12,085	13,250	13,415
Operation and maintenance.....	10,702	11,870	11,609	10,611	11,595	11,511
Procurement.....	11,716	15,893	16,445	13,095	14,836	15,356
Research, development, test, and evaluation.....	6,033	6,283	6,843	6,131	6,039	6,650
Military construction.....	1,061	959	1,318	1,605	1,250	1,189
Civil defense.....		255	695		140	350
Revolving and management funds.....	30			-300	-260	-171
Total 051.....	41,321	48,278	50,140	43,227	46,850	48,300
057 Military assistance:						
Department of Defense—Military.....	1,785	1,600	1,500	1,449	1,400	1,400
058 Atomic energy:						
Atomic Energy Commission.....	2,781	2,647	2,987	2,713	2,830	2,880
059 Defense-related services:						
Executive Office of the President.....	52	7		50	9	2
Funds Appropriated to the President.....				-12	35	
Department of Health, Education, and Welfare.....		35	41		16	31
Treasury Department.....				*	*	*
General Services Administration.....	22	40	38	35	36	40
Other independent agencies: Selective Service System.....	33	37	38	33	36	37
Total 059.....	107	119	118	104	132	110
Total, national defense.....	45,994	52,644	54,744	47,494	51,212	52,690
150 INTERNATIONAL AFFAIRS AND FINANCE						
151 Conduct of foreign affairs:						
Department of State.....	241	347	252	213	385	245
Other independent agencies:						
Foreign Claims Settlement Commission.....	1	1	74	*	1	11
Tariff Commission.....	3	3	3	3	3	3
United States Arms Control and Disarmament Agency.....		2	6		2	5
Total 151.....	244	353	336	216	390	264
152 Economic and financial assistance:						
Funds Appropriated to the President.....	2,720	4,516	3,582	1,879	2,117	2,409
Department of Agriculture.....	115	461	300	199	281	300
Department of Commerce.....			18	9	10	14
Department of Defense—Civil.....				*		
Department of State.....	1	1	14	1	1	13
Other independent agencies: Export-Import Bank of Washington.....				37	-101	-225
Total 152.....	2,836	4,978	3,914	2,126	2,308	2,510

See footnotes at end of table.

Table 13. NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Description	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1961 actual	1962 estimate	1963 estimate	1961 actual	1962 estimate	1963 estimate
153 Foreign information and exchange activities:						
Department of State.....	43	42	65	37	50	63
Other independent agencies: United States Information Agency.....	132	141	158	121	147	159
Total 153.....	175	183	223	158	197	222
Total, international affairs and finance.....	3,256	5,514	4,473	2,500	2,896	2,996
250 SPACE RESEARCH AND TECHNOLOGY						
251 Space research and technology:						
National Aeronautics and Space Administration.....	964	1,828	3,787	744	1,300	2,400
350 AGRICULTURE AND AGRICULTURAL RESOURCES						
351 Farm income support and production adjustment:						
Department of Agriculture.....	3,315	5,129	4,381	3,801	5,081	4,585
352 Financing farm ownership and operation:						
Department of Agriculture.....	500	371	45	353	158	198
Other independent agencies: Farm Credit Administration.....	3	3	3	-3	-2	*
Total 352.....	503	373	48	349	156	198
353 Financing rural electrification and rural telephones:						
Department of Agriculture.....	320	418	354	301	330	234
354 Agricultural land and water resources:						
Department of Agriculture.....	398	422	432	397	420	438
355 Research and other agricultural services:						
Funds Appropriated to the President.....				1	4	
Department of Agriculture.....	359	361	383	323	352	380
Total 355.....	359	361	383	324	356	380
Total, agriculture and agricultural resources.....	4,895	6,701	5,598	5,173	6,343	5,836
400 NATURAL RESOURCES						
401 Land and water resources:						
Department of Defense—Civil.....	936	974	1,022	926	958	1,010
Department of the Interior.....	428	466	568	414	453	527
Department of State.....	12	16	15	5	14	18
Other independent agencies:						
Delaware River Basin Commission.....		*	*		*	*
Federal Power Commission.....	8	9	11	8	9	11
U.S. Study Commission—Southeast River Basins.....	2	1	1	1	1	1
U.S. Study Commission—Texas.....	1	1		1	1	
Tennessee Valley Authority.....	21	38	35	39	78	63
Total 401.....	1,407	1,505	1,652	1,394	1,515	1,630

See footnotes at end of table.

Table 13. NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Description	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1961 actual	1962 estimate	1963 estimate	1961 actual	1962 estimate	1963 estimate
402 Forest resources:						
Department of Agriculture.....	323	306	236	315	279	281
Department of the Interior.....	16	15	16	16	15	16
Total 402.....	339	320	251	331	294	297
403 Mineral resources:						
Department of the Interior.....	63	82	100	61	68	92
404 Fish and wildlife resources:						
Department of Defense—Civil.....	*	*	*	*	*	*
Department of the Interior.....	74	88	100	71	79	98
Department of State.....	2	2	2	2	2	2
Total 404.....	76	90	103	73	81	100
405 Recreational resources:						
Department of the Interior.....	94	114	94	90	96	110
Other independent agencies: Outdoor Recreation Resources Review Commission.....	1	1	-----	1	1	*
Total 405.....	95	115	94	91	97	110
409 General resource surveys and administration:						
Department of the Interior.....	57	61	72	55	63	68
Total natural resources.....	2,038	2,172	2,272	2,006	2,117	2,298
500 COMMERCE AND TRANSPORTATION						
501 Aviation:						
Department of Commerce.....				*	*	*
Federal Aviation Agency.....	690	730	791	638	708	781
Other independent agencies: Civil Aeronautics Board.....	80	85	86	78	83	85
Total 501.....	771	815	877	716	791	866
502 Water transportation:						
Department of Commerce.....	323	301	255	282	351	359
Department of Defense—Civil.....				8	15	10
Treasury Department.....	281	298	308	276	279	292
Other independent agencies: St. Lawrence Seaway Development Corp.....				2	2	*
Total 502.....	604	599	563	569	646	662
503 Highways:						
Department of Commerce.....	36	36	41	36	39	44
505 Postal service:						
Post Office Department.....	895	867	265	914	853	261
506 Advancement of business:						
Department of Commerce.....	206	283	307	168	202	272
Department of the Interior.....				*	*	—1
Other independent agencies:						
Alaska International Rail and Highway Commission.....	*			*	*	-----
Interstate Commerce Commission.....		15			15	-----
Small Business Administration.....	56	267	306	103	250	222
Total 506.....	262	565	613	271	466	493

See footnotes at end of table.

Table 13. NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Description	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1961 actual	1962 estimate	1963 estimate	1961 actual	1962 estimate	1963 estimate
507 Area redevelopment:						
Department of Commerce.....	300	171	64	-----	44	122
508 Regulation of business:						
Department of Commerce.....	3	3	3	3	3	3
Department of Justice.....	5	6	6	5	6	6
Other independent agencies:						
Civil Aeronautics Board.....	8	9	10	8	9	10
Federal Communications Commission.....	14	13	13	12	14	13
Federal Maritime Commission.....	-----	2	3	-----	2	3
Federal Trade Commission.....	8	10	12	8	10	11
Interstate Commerce Commission.....	21	22	23	22	22	23
Securities and Exchange Commission.....	10	11	13	9	11	13
Total 508.....	69	76	83	67	76	82
Total, commerce and transportation.....	2,937	3,129	2,507	2,573	2,915	2,531
550 HOUSING AND COMMUNITY DEVELOPMENT						
551 Aids to private housing:						
Housing and Home Finance Agency.....	931	325	301	-9	247	333
Other independent agencies: Federal Home Loan Bank Board.....	-----	-----	-----	-35	-239	-270
Total 551.....	931	325	301	-44	8	63
552 Public housing:						
Housing and Home Finance Agency.....	159	180	200	150	166	193
553 Urban renewal and community facilities:						
Housing and Home Finance Agency.....	2,910	51	183	162	277	482
555 National Capital area:						
Other independent agencies:						
Commission of Fine Arts.....	*	*	*	*	*	*
Interstate Commission on the Potomac River Basin.....	*	*	*	*	*	*
National Capital Housing Authority.....	*	*	*	*	*	*
National Capital Planning Commission.....	1	1	2	1	2	3
National Capital Transportation Agency.....	*	2	6	*	2	6
District of Columbia.....	81	62	63	50	90	85
Total 555.....	82	65	71	51	94	94
Total, housing and community development.....	4,082	621	755	320	545	832
650 HEALTH, LABOR, AND WELFARE						
651 Health services and research:						
Department of Health, Education, and Welfare.....	1,129	1,467	1,575	938	1,213	1,408

See footnotes at end of table.

Table 13. NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Description	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1961 actual	1962 estimate	1963 estimate	1961 actual	1962 estimate	1963 estimate
652 Labor and manpower:						
Executive Office of the President.....	*	*	*	*	*	*
Department of the Interior.....	7	7	8	7	7	7
Department of Labor.....	1,007	575	381	764	495	320
Treasury Department.....	1			1		
Other independent agencies:						
Federal Coal Mine Safety Board of Review.....	*	*	*	*	*	*
Federal Mediation and Conciliation Service.....	4	5	5	4	4	5
National Labor Relations Board.....	18	19	20	18	19	20
National Mediation Board.....	2	2	2	1	2	2
Railroad Retirement Board.....	20	10		13	17	
Total 652.....	1,060	618	417	809	545	354
653 Public assistance:						
Department of Health, Education, and Welfare.....	2,180	2,547	2,837	2,170	2,574	2,827
654 Other welfare services:						
Funds Appropriated to the President.....		21		7	8	8
Department of Agriculture.....	230	446	295	241	274	291
Department of Health, Education, and Welfare.....	82	104	208	78	94	201
Other independent agencies: Railroad Retirement Board.....			16			16
Total 654.....	312	571	519	326	376	516
Total, health, labor, and welfare.....	4,681	5,203	5,348	4,244	4,708	5,105
700 EDUCATION						
701 Assistance for elementary and secondary education:						
Department of Health, Education, and Welfare.....	367	373	1,036	332	357	457
702 Assistance for higher education:						
Department of Health, Education, and Welfare.....	102	148	480	88	129	167
Housing and Home Finance Agency.....	500	300	300	198	250	375
Total 702.....	602	448	780	286	379	541
703 Assistance to science education and basic research:						
Other independent agencies: National Science Foundation.....	176	263	358	143	199	257
704 Other aids to education:						
Legislative Branch.....	16	17	19	15	17	19
Department of Health, Education, and Welfare.....	82	89	100	79	86	92
Department of the Interior.....	67	72	83	66	68	81
Other independent agencies: Smithsonian Institution.....	24	16	20	21	36	24
Total 704.....	188	194	221	181	208	215
Total education.....	1,333	1,278	2,396	943	1,143	1,470

See footnotes at end of table.

Table 13. NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Description	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1961 actual	1962 estimate	1963 estimate	1961 actual	1962 estimate	1963 estimate
800 VETERANS BENEFITS AND SERVICES						
801 Veterans service-connected compensation:						
Veterans Administration.....	2,034	2,009	2,058	2,034	2,009	2,058
802 Veterans non-service-connected pensions:						
Veterans Administration.....	1,713	1,457	1,784	1,532	1,670	1,784
803 Veterans readjustment benefits:						
Veterans Administration.....	494	731	292	559	498	85
804 Veterans hospitals and medical care:						
Veterans Administration.....	1,064	1,114	1,136	1,030	1,095	1,121
805 Other veterans benefits and services:						
Department of Defense—Civil.....	9	10	10	10	10	11
Department of Labor.....	1	1	1	1	1	1
Veterans Administration.....	269	257	245	246	287	237
Other independent agencies: American Battle Monuments Commission.....	1	1	2	2	2	2
Total 805.....	280	269	258	259	299	250
Total, veterans benefits and services.....	5,586	5,580	5,526	5,414	5,572	5,298
850 INTEREST						
851 Interest on the public debt:						
Treasury Department.....	8,957	8,900	9,300	8,957	8,900	9,300
852 Interest on refunds of receipts:						
Treasury Department.....	83	88	88	83	88	88
853 Interest on uninvested funds:						
Treasury Department.....	10	10	10	10	10	10
Total, interest.....	9,050	8,998	9,398	9,050	8,998	9,398
900 GENERAL GOVERNMENT						
901 Legislative functions:						
Legislative Branch.....	108	107	112	118	142	130
902 Judicial functions:						
The Judiciary.....	53	59	63	52	59	63
Other independent agencies: Indian Claims Commission.....	*	*	*	*	*	*
Total 902.....	53	60	64	52	59	63
903 Executive direction and management:						
Executive Office of the President.....	20	22	23	20	23	20
Funds Appropriated to the President.....	1	1	1	1	2	1
Treasury Department.....	1	1	2	1	1	2
Total 903.....	22	24	25	22	26	23

See footnotes at end of table.

Table 13. NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY FUNCTION AND AGENCY (in millions of dollars)—Continued

Description	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1961 actual	1962 estimate	1963 estimate	1961 actual	1962 estimate	1963 estimate
904 Central fiscal operations:						
Treasury Department.....	579	620	708	562	617	697
Other independent agencies:						
General Accounting Office.....	42	43	44	41	43	44
Renegotiation Board.....	3	3	2	3	3	3
Tax Court of the United States.....	2	2	2	2	2	2
Total 904.....	626	667	756	607	664	745
905 General property and records management:						
General Services Administration.....	490	569	549	352	465	538
Other independent agencies: Central Intelligence Agency.....				19	9	*
Total 905.....	490	569	549	372	474	539
906 Central personnel management:						
Department of Labor.....	66	68	66	66	67	66
Other independent agencies: Civil Service Commission.....	74	47	41	74	40	42
Total 906.....	140	115	107	140	107	108
908 Protective services and alien control:						
Department of Justice.....	292	291	303	279	292	299
Treasury Department.....	9	9	10	9	9	10
Other independent agencies:						
Civil Service Commission.....	*	*	1	*	*	*
Commission on Civil Rights.....	1	1	1	1	1	1
Subversive Activities Control Board.....	*	*	*	*	*	*
Total 908.....	303	302	316	289	303	311
910 Other general government:						
Legislative Branch.....	4	5	5	*	2	-1
Funds Appropriated to the President.....	6	6	3	6	6	3
Department of Defense—Civil.....	33	30	34	28	32	40
Department of the Interior.....	20	24	33	21	25	33
Treasury Department.....	55	70	32	54	70	32
Other independent agencies:						
Advisory Commission on Intergovernmental Relations.....	*	*	*	*	*	*
Historical and memorial commissions.....	*	*	*	*	*	*
Total 910.....	119	135	107	109	135	108
Total, general government.....	1,860	1,979	2,035	1,709	1,910	2,027
Allowances for pay adjustments and contingencies.....		100	462		75	350
Subtotal.....	86,675	95,748	99,303	82,169	89,732	93,230
Deduct interfund transactions.....				654	656	693
Total.....	86,675	95,748	99,303	81,515	89,075	92,537

*Less than one-half million dollars.

Note.—This table summarizes by functional category the information on new obligational authority and expenditures which is shown in more detail on an agency basis on pages 118 to 266.

Table 14. BUDGET EXPENDITURES, 1953-60 (in millions of dollars)

Description	1953	1954	1955	1956	1957	1958	1959	1960
050 National defense:								
051 Department of Defense military functions:¹								
Military personnel.....	12,179	11,643	11,403	11,582	11,409	11,611	11,801	11,738
Operation and maintenance.....	10,028	9,162	7,931	8,400	9,487	9,761	10,378	10,223
Procurement.....	17,297	15,957	12,838	12,227	13,488	14,083	14,409	13,334
Research, development, test, and evaluation.....	2,148	2,187	2,261	2,101	2,406	2,504	2,866	4,710
Military construction.....	1,937	1,744	1,715	2,079	1,968	1,753	1,948	1,626
Revolving and management funds.....	15	-367	-617	-598	-323	-643	-179	-416
Total, Department of Defense—military functions.....	43,604	40,326	35,531	35,791	38,436	39,070	41,223	41,215
057 Military assistance.....	3,954	3,629	2,292	2,611	2,352	2,187	2,340	1,609
058 Atomic energy.....	1,791	1,895	1,857	1,651	1,990	2,268	2,541	2,623
059 Defense-related services.....	1,093	1,136	1,015	670	582	708	387	244
Total, national defense..	50,442	46,986	40,695	40,723	43,360	44,234	46,491	45,691
150 International affairs and finance:								
151 Conduct of foreign affairs.....	150	130	121	129	157	173	237	217
152 Economic and financial assistance.....	1,960	1,511	1,960	1,613	1,683	1,910	3,403	1,477
153 Foreign information and exchange activities...	106	91	100	111	133	149	139	137
Total, international affairs and finance...	2,216	1,732	2,181	1,853	1,973	2,231	3,780	1,832
250 Space research and technology:								
251 Space research and technology.....	79	90	74	71	76	89	145	401
350 Agriculture and agricultural resources:								
351 Farm income support and production adjustment.....	2,125	1,689	3,486	3,900	3,430	3,284	5,297	3,602
352 Financing farm ownership and operation.....	128	272	236	232	248	269	311	289
353 Financing rural electrification and rural telephones.....	239	217	204	217	267	297	315	330
354 Agricultural land and water resources.....	319	252	290	305	374	315	376	368
355 Research and other agricultural services...	142	142	173	215	227	255	291	293
Total, agriculture and agricultural resources..	2,955	2,573	4,388	4,868	4,546	4,419	6,590	4,882

See footnotes at end of table.

Table 14. BUDGET EXPENDITURES, 1953-60 (in millions of dollars)—Continued

Description	1953	1954	1955	1956	1957	1958	1959	1960
400 Natural resources:								
401 Land and water resources.....	1,235	1,056	935	804	925	1,139	1,184	1,235
402 Forest resources.....	107	117	119	139	163	174	201	220
403 Mineral resources.....	38	37	37	38	62	59	71	65
404 Fish and wildlife resources.....	34	38	43	45	51	60	68	68
405 Recreational resources.....	30	33	35	44	59	69	85	74
409 General resource surveys and administration.....	34	35	34	36	38	44	61	51
Total, natural resources.....	1,478	1,317	1,203	1,105	1,298	1,544	1,670	1,714
500 Commerce and transportation:								
501 Aviation.....	161	186	179	180	219	315	494	568
502 Water transportation.....	455	370	349	420	365	392	436	508
503 Highways.....	572	586	647	783	40	31	30	38
505 Postal service.....	659	312	356	463	518	674	774	525
506 Advancement of business.....	-58	-281	-343	5	127	170	226	265
507 Area redevelopment.....						*		
508 Regulation of business.....	137	45	38	41	45	49	58	59
Total, commerce and transportation.....	1,926	1,219	1,225	1,892	1,313	1,631	2,017	1,963
550 Housing and community development:								
551 Aids to private housing.....	310	-277	174	-67	-254	-126	732	-172
552 Public housing.....	29	-401	-116	31	60	51	97	134
553 Urban renewal and community facilities.....	45	37	56	4	49	78	108	130
555 National Capital area.....	12	14	22	23	27	26	33	30
Total, housing and community development.....	396	-628	136	-10	-118	30	970	122
650 Health, labor, and welfare:								
651 Health services and research.....	318	288	271	342	461	540	700	815
652 Labor and manpower.....	248	247	321	479	397	488	924	510
653 Public assistance.....	1,332	1,439	1,428	1,457	1,558	1,797	1,969	2,061
654 Other welfare services.....	155	148	145	184	216	234	284	304
Total, health, labor, and welfare.....	2,052	2,122	2,165	2,462	2,632	3,059	3,877	3,690
700 Education:								
701 Assistance for elementary and secondary education.....	201	184	215	181	174	189	259	327
702 Assistance for higher education.....	24	44	43	44	110	178	225	261
703 Assistance to science education and basic research.....	4	6	11	20	46	50	106	120
704 Other aid to education.....	91	91	109	98	108	124	141	156
Total, education.....	320	326	377	343	437	541	732	866

See footnotes at end of table.

Table 14. BUDGET EXPENDITURES, 1953-60 (in millions of dollars)—Continued

Description	1953	1954	1955	1956	1957	1958	1959	1960
800 Veterans benefits and services:								
801 Veterans service-connected compensation	1,713	1,731	1,829	1,864	1,876	2,024	2,071	2,049
802 Veterans nonservice-connected pensions	644	700	801	884	951	1,036	1,153	1,263
803 Veterans readjustment benefits	867	789	879	944	977	1,026	864	725
804 Veterans hospitals and medical care	757	782	727	788	801	856	921	961
805 Other veterans benefits and services	388	339	286	331	266	242	280	266
Total, veterans benefits and services	4,368	4,341	4,522	4,810	4,870	5,184	5,287	5,266
850 Interest:								
851 Interest on the public debt	6,504	6,382	6,370	6,787	7,244	7,607	7,593	9,180
852 Interest on refunds of receipts	70	83	62	54	57	74	69	76
853 Interest on uninvested funds	5	5	5	6	6	8	9	10
Total, interest	6,578	6,470	6,438	6,846	7,307	7,689	7,671	9,266
900 General government:								
901 Legislative functions	48	49	60	76	90	89	102	109
902 Judicial functions	29	29	31	38	40	44	47	49
903 Executive direction and management	11	11	12	12	12	19	21	20
904 Central fiscal operations	442	449	431	475	476	502	566	558
905 General property and records management	190	157	168	173	201	245	295	372
906 Central personnel management	387	93	96	304	602	84	95	84
908 Protective services and alien control	174	186	185	220	219	233	255	263
910 Other general government	183	253	183	278	100	69	86	88
Total, general government	1,465	1,226	1,166	1,576	1,738	1,284	1,466	1,542
Subtotal	74,274	67,772	64,570	66,540	69,433	71,936	80,697	77,233
Deduct interfund transactions	154	235	181	315	467	567	355	694
Total budget expenditures	74,120	67,537	64,389	66,224	68,966	71,369	80,342	76,539

*Less than one-half million dollars.

Note.—The historical data on this table corresponds to the revised functional classification used in table 13 (page 103) and elsewhere in this budget. A list of the major changes between this classification and those used in the preceding budgets is available upon request from the Bureau of the Budget.

¹ Amounts shown include estimated comparability adjustments not supportable by accounting records.

Obligations, defense aid, liquidation lend-lease program.....	Exp. 152	31	-----	-----	-----	(Account is used only to pay old obligations.)
Refugee relief.....	Exp. 152	1	-----	-----	-----	(Account is used only to pay old obligations.)
Relief assistance to countries devastated by war.....	Exp. 152	3	-----	-----	-----	(Account is used only to pay old obligations.)
Total, miscellaneous.....	Exp.	31	-----	-----	-----	
Total Funds Appropriated to President.	NOA	2,727,182	{ 2,544,579	{ 3,586,606	-957,973	
	Exp.	1,881,988	{ 12,000,000	2,421,006	249,971	
			2,171,035			

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE						
Current authorizations:						
Salaries and expenses.....	NOA 355	151,520	156,844	162,126	5,282	Increase is for staffing newly constructed research laboratories, for additional plant and animal quarantine protection, for a nationwide hog cholera eradication program and for enlarging the meat inspection staff.
Reappropriation.....	NOA	1,000	1,000	1,000	6,210	
	Exp.	147,529	154,046	160,256		
Salaries and expenses (special foreign currency program).....	NOA	15,131	5,265	5,265		This item is for market development research, and agricultural and forest research. Only excess foreign currencies will be used.
	Exp.	1,605	3,100	6,100	3,000	
Construction of facilities.....	NOA	7,750	800	1,680	880	Request covers research facilities at East Lansing, Mich., and Sidney, Mont.; livestock inspection facilities at Portal, N. Dak., and at Buffalo, N.Y.; and improvements at Beltsville, Md.
	Exp.	99	2,820	5,685	2,865	
State experiment stations.....	NOA	32,803	35,803		-35,803	Activities have been transferred to "Cooperative State Experiment Stations Service."
	Exp.	32,699	35,802	129	-35,673	(Expenditures will be completed in 1962 from this account.)
Diseases of animals and poultry.....	Exp. 355		14		-14	
Animal disease laboratory facilities.....	Exp. 355					(Construction in 1962 will complete this installation at Ames, Iowa.)
Research facilities.....	Exp. 355	3,478	845		-845	
		10	4		-4	(Expenditures will be completed in 1962 from this account.)

†Proposed for separate transmittal.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL RESEARCH SERVICE—Continued					
Current authorizations—Continued					
Research on strategic and critical agricultural materials.....355		1		—1	
Permanent authorizations:					
Alterations and improvements, animal quarantine station, Clifton, N.J. (indefinite special fund).....355	15				(This work is now completed.)
Establishment of an entomology research laboratory (indefinite special fund).....355	400	100	300	200	Proceeds from sale of a laboratory at Orlando, Fla., were appropriated to pay part of the cost of constructing a new laboratory.
Intragovernmental funds:					
Working capital fund, Agricultural Research Center.....355	81	—10	8	18	
Total, Agricultural Research Service.....	208,604 185,516	199,712 196,722	170,071 172,478	—29,641 —24,244	
COOPERATIVE STATE EXPERIMENT STATIONS SERVICE					
Current authorizations:					
Payments and expenses.....355			38,207 38,107	38,207 38,107	New account continues the activity previously under "State experiment stations" above, and \$404 thousand for activities previously under "Salaries and expenses, Agricultural Research Service," above. Increase of \$2 million is proposed for additional research.

EXTENSION SERVICE

Cooperative extension work, pay-
ments and expenses.....355 NOA
Exp.

FARMER COOPERATIVE SERVICE

Salaries and expenses.....355 NOA
Exp.

Intragovernmental funds:
Advances and reimbursements.....355 Exp.

Total, Farmer Cooperative
Service..... NOA
Exp.

SOIL CONSERVATION SERVICE

Current authorizations:
Conservation operations.....354 NOA
Reappropriation..... NOA
Exp.

Watershed protection.....354 NOA
Exp.

Flood prevention.....354 NOA
Exp.

Great Plains conservation pro-
gram.....354 NOA
Exp.

Water conservation and utiliza-
tion projects.....354 Exp.

Total, Soil Conservation
Service..... NOA
Exp.

Increase is for extension work in connection with the Rural Areas
Development Program.

The increase will be used to provide additional research and technical
assistance for farmers' cooperatives.

The increase will provide \$100 thousand to expand snow survey opera-
tions and \$900 thousand to accelerate soil survey work.

The estimate provides for starting construction of 60 new watershed
projects, continuing 181 others, and completing 35. In addition,
198 projects will receive advanced engineering and technical assistance.

Cooperation with local organizations, cost sharing, and technical assist-
ance will continue at the scheduled rate on the 11 authorized water-
sheds.

This appropriation will cover Federal responsibilities under planned
increases in cost-sharing contracts which run from 3 to 10 years.
(Prior year balances more than cover current requirements.)

67,431	70,804	72,410	1,606
67,341	70,506	72,398	1,892
657	657	757	100
654	657	744	87
-17	-10	-	10
657	657	757	100
637	647	744	97
88,604	89,636	90,725	1,089
600			
86,887	88,295	89,925	1,630
36,800	53,746	59,635	5,889
32,608	45,540	55,700	10,160
19,570	24,999	24,000	-999
17,541	21,400	24,000	2,600
10,168	10,167	13,000	2,833
8,635	9,255	11,400	2,145
8	2	2	-
155,742	178,548	187,360	8,812
145,679	164,492	181,027	16,535

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
ECONOMIC RESEARCH SERVICE					
Current authorizations—Continued					
Salaries and expenses.....355 NOA	-----	9,360	10,440	1,080	The increase will provide more emphasis on farm economics research, and economic analysis concerned with commodity outlook, and foreign demand and trade.
Exp.355 NOA	-----	7,904	10,512	2,608	
STATISTICAL REPORTING SERVICE					
Salaries and expenses.....355 NOA	-----	8,758	9,693	935	The long-range program to improve crop and livestock estimating will be extended. Work on automatic data processing will be expanded.
Exp.355 NOA	-----	7,147	9,953	2,806	
Intragovernmental funds:					
Advances and reimbursements.355 Exp.	-7	7	-----	-7	
Total, Statistical Reporting NOA	-----	8,758	9,693	935	
Service. Exp.	-7	7,154	9,953	2,799	
AGRICULTURAL MARKETING SERVICE					
Current authorizations:					
Marketing research and service:					
Appropriation:					
Current.....355 NOA	47,221	{ 37,984	{ 40,335	1,616	The increase will provide for expanding and strengthening the market news service, inspection, standardization, and regulatory activities. A 1962 supplemental is also needed for mandatory poultry inspection. The \$285 thousand represents a one-time transfer from the permanent appropriation, Removal of Surplus Agricultural Commodities, for increased travel costs.
Permanent.....355 NOA	-----	{ 1,450	{ 40,396	491	
Exp.355 NOA	45,820	{ 285	{ 425		
Construction of facilities.....355 NOA	-----	-----	1,600	1,600	It is proposed to construct a facility at Dawson, Ga., principally for peanut marketing research.
Exp.355 NOA	-----	-----	1,600	1,600	

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (-)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
FOREIGN AGRICULTURAL SERVICE—Continued					
Current authorizations—Continued					
Salaries and expenses (special foreign currency program).....355	14,175 6,318	3,444 8,300	4,000 6,900	556 -1,400	It is proposed to use this account only for foreign currencies excess to U.S. needs. It will supplement the immediately preceding account.
Total, Foreign Agricultural Service.	21,848 13,530	19,018 17,394	25,841 20,160	6,823 2,766	
COMMODITY EXCHANGE AUTHORITY					
Salaries and expenses.....355	990 964	1,007 1,013	1,022 1,020	15 7	The estimate will provide continuation of licensing, auditing, supervision, and investigative activities.
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE					
Acreage allotments and marketing quotas.....351	43,598 43,532	44,098 44,146	44,181 44,181	83 35	Programs are planned on tobacco, peanuts, wheat, cotton, and rice.
Sugar Act program.....351	74,500 72,220	78,000 82,227	80,000 86,900	2,000 4,673	
Agricultural conservation program.....354	242,000 249,744	238,000 240,000	244,500 250,000	6,500 10,000	Appropriation is estimated to cover cost-sharing assistance to farmers under the \$250 million program authorized a year ago. It is proposed to authorize a level of \$150 million for the 1963 program, to be paid from the 1964 appropriation.
Emergency conservation measures.....354	----- 549	5,000 9,435	----- 12,000	-5,000 2,565	
					Cost-sharing assistance has been offered to farmers to rehabilitate lands damaged by natural disasters.

Conservation reserve program, 351	NOA	330,000	312,000	323,000	11,000	Although payments required on 3- to 15-year contracts with producers, initiated in the period 1956 to 1960, are expected to drop, NOA increase is needed because carryover balances are being exhausted in 1962.
Reappropriation-----	NOA	21,825			-23,210	
	Exp.	363,212	346,260	323,050		
Special agricultural conservation and adjustment program, 351	NOA		18,500	18,500		Account is for administrative expenses; program payments are from CCC. Wheat has been added to the earlier feed grain program.
	Exp.		17,500		1,000	
Intragovernmental funds:						(Costs of \$27 million are financed by other accounts.)
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938-----355	Exp.	-1,386				
Local administration, sec. 388, Agricultural Adjustment Act of 1938-----355	Exp.	-1,852	-500		500	(Costs of \$146 million are financed by other accounts.)
Total, Agricultural Stabilization and Conservation Service.	NOA	711,923	695,598	710,181	14,583	
	Exp.	726,020	739,068	734,631	-4,437	
SPECIAL EXPORT PROGRAMS						
Current authorizations:						Appropriations are currently made to cover estimated CCC realized losses for the programs. Portion of the appropriation now requested is for 1962 as footnoted. Appropriations for 1960 and 1961 losses are under CCC below. Expenditures for these purposes, including the part which will be reimbursed to or recovered by CCC later, are summarized in the explanation under CCC below.
Public Law 480:						
(Sale of commodities for foreign currencies)-----351	NOA		21,462,819	1,080,632	-382,187	
(Grants of commodities for famine relief)-----152	Exp.		1,462,819	1,080,632	-382,187	Appropriations are currently made to cover estimated CCC realized losses. Legislation is being proposed to extend the agreement beyond July 31, 1962. Portion of appropriation now requested is for 1962, as footnoted. Appropriations for 1960 and 1961 losses are under CCC below.
(Losses on long-term sales contracts)-----351	NOA		204,868	300,000	95,132	
	Exp.		204,868	300,000	95,132	
(International Wheat Agreement)-----351	NOA		213,000	90,000	77,000	
	Exp.		13,000	90,000	77,000	
	NOA		386,331	81,218	-5,113	
	Exp.		86,331	81,218	-5,113	

¹ Partly to carry out authorizing legislation to be proposed.

² Of these amounts \$276,368 thousand is proposed in this budget, to become available in 1962.

³ Of this amount \$15,650 thousand is proposed in this budget, to become available in 1962.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (-)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
SPECIAL EXPORT PROGRAMS—Con.					
Current authorizations—Continued					
Bartered materials for supplemental stockpile.....351 Exp.	-----	1,217,867	250,200	32,333	Appropriations are currently made to cover estimated CCC realized losses. Portion of appropriation now requested is for 1962, as footnoted. Appropriations for 1960 and 1961 losses are under CCC below.
	-----	217,867	250,200	32,333	
	-----	1,984,885	1,802,050	-182,835	
Total, special export programs. NOA Exp.	-----	1,984,885	1,802,050	-182,835	
COMMODITY CREDIT CORPORATION					
Price Support, Supply, and Related Programs and Special Milk					
Public enterprise funds:					
Price support, supply, and related programs.....351 NOA	1,151,832	936,429	-----	1,553,526	Request is to cover \$2,067 million realized loss for 1961 and a \$423 million installment on a \$1,268.5 million loss recorded in 1961 as a result of a change in inventory valuation policies. The remaining part of the latter loss will be covered in 1964 and 1965 budget requests. Expenditure increases of current and budget years over past year are mainly due to rise in disbursements under guaranteed loans for price-support purposes.
Restoration of capital impairment (current appropriation). NOA	-----	-----	2,489,955	(884)	
Reimbursement for net realized losses (current appropriation). Limitation on administrative expenses. Exp.	(45,073) 1,330,565	(47,116) 2,496,841	(48,000) 2,515,528	18,687	
Special milk program: 654	74,668	81,181	-----	-276,181	Appropriation now requested covers 1962 realized losses, and is requested for 1962, as footnoted. The \$90 million NOA shown in 1962 was for 1961 estimated losses (actually \$87 million). Previous appropriations were each for actual losses of the 2d preceding year. Costs for 1963 are financed under the Agricultural Marketing Service.
Restoration of capital impairment (current appropriation). NOA	-----	-----	-----	-----	
Reimbursement for costs of special milk program (current appropriation). NOA	-----	90,000	-----	-----	
	-----	2,105,000	-----	-----	

Limitation on administrative expenses.	Exp.	(653)	(800)	(800)	(-800)	
Total, price support, supply and related programs and special milk.	NOA	86,964	105,000	2,489,955	1,277,345	
	Exp.	1,226,500	1,212,610	2,515,526	-86,313	
		1,417,529	2,601,841			
Special Activities						
Intragovernmental funds (NOA items are current appropriations unless otherwise indicated):						
Reimbursement to Commodity Credit Corporation for special activities:						
(Sale of commodities for foreign currencies).....	NOA	881,000	1,353,000		-1,353,000	
(Grants of commodities for famine relief).....	NOA	107,094	255,685		-255,685	
(Reappropriation).....	NOA	7,906				
(International Wheat Agreement).....	NOA	32,572	88,790		-88,790	
(Reappropriation).....	NOA	16,470				
(Bartered materials for supplemental stockpile).....	NOA	422,950	163,163		-163,163	
(National Wool Act) (permanent indefinite appropriation).....	NOA	67,190	75,278	65,000	-10,278	
(Migratory waterfowl feed).....	NOA	18	13		-13	
(Reappropriation).....	NOA	17				
(Grading and classing activities).....	NOA		1,264		-1,264	
(Reappropriation).....	NOA	998				

Most special activities require the use of CCC assets or expenditures with subsequent recovery from special revenues, from appropriations to CCC, or from other agencies. Activities once handled by appropriations to CCC are to be financed from appropriations elsewhere in the 1963 budget, except the National Wool Act, which is a permanent appropriation equal to 70% of customs duties on wool and wool items. For the special export programs, the total expenditures, under CCC and under the program heading on a preceding page, are as follows (in thousands):

Public Law 480:	Code	1961	1962	1963
Sale of commodities for foreign currencies.....	351	1,454,726	1,333,116	1,130,632
Grants of commodities for famine relief.....	152	198,565	281,488	300,000
Losses on long-term sales contracts.....	351	-----	155,500	258,000
International Wheat Agreement.....	351	76,486	81,375	81,218
Bartered materials for supplemental stockpile.....	351	200,507	225,301	250,200
Total.....		1,930,284	2,076,780	2,020,050

¹ Of this amount \$92,867 thousand is proposed in this budget, to become available in 1962.

² Proposed in this budget, to become available in 1962.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
COMMODITY CREDIT CORPORATION— Continued					
Special Activities—Continued					
Intragovernmental funds—Continued (Animal disease eradication NOA activities) (reappropriation) 355	20				
Net expenditures of Commodity Credit Corporation: (Special export programs) Exp. (All other special programs) Exp.	1,930,284 58,797	91,895 74,433	218,000 62,830	126,105 —11,603	
Total, special activities financed by Commodity Credit Corporation.	1,536,235 1,989,081	1,937,193 166,328	65,000 280,830	—1,872,193 114,502	
					For other special activities, the net CCC expenditures are (in thousands): Other Department of Agriculture programs: Code 1961 1962 1963 National Wool Act 351 60,887 67,401 70,324 Grading and classing activities (AMS) 355 1,378 32 Soil bank program (ASCS) 351 12 Long-staple cotton sale program 351 —2,534 2,417 Loans for conservation (ASCS) 354 1,000 6,500 —4,700 Department of Defense program: Military housing 351 —1,987 —2,022 —2,888 Department of the Interior programs: Migratory waterfowl feed 351 41 —6 Surplus grain for game birds 351 — 105 100 Total 58,797 74,433 62,830
Public enterprise funds: Proposed for separate transmittal under proposed legislation 351 NOA Exp.					
Total, Commodity Credit Corporation (fund) NOA Exp.	2,762,735 3,406,610	3,149,803 2,768,169	2,131,955 2,362,358	—423,000 —434,000 —1,017,848 —405,811	Proposed legislation for feed grains, wheat, and dairy products will reduce NOA and expenditures.

FEDERAL CROP INSURANCE CORPORATION

Current authorizations:
Operating and administrative
expenses.....351 Exp.

Public enterprise funds:
Limitation on administrative ex-
penses. Exp.

Total, Federal Crop Insur-
ance Corporation. NOA
Exp.

RURAL ELECTRIFICATION ADMINISTRATION

Current authorizations:
Loan authorizations (authoriza-
tion to expend from debt
receipts).....353 Exp.

Salaries and expenses.....353
NOA
Exp.

Total, Rural Electrification
Administration. NOA
Exp.

FARMERS HOME ADMINISTRATION

Rural housing grants and loans.352 NOA
Authorizations to expend from
debt receipts.....352 Exp.

Loan authorizations: Authoriza-
tion to expend from debt re-
ceipts.....352 NOA
Exp.

† Proposed for separate transmittal.

6,561	6,549	7,500	951	Major expansion is planned in the insurance program both to 100 additional counties and to additional commodities. The expansion will require an increase in the appropriation for a share of operating and administrative expenses. (Contingent liabilities are estimated to be \$370 million.)
6,636	5,243	7,704	2,461	
(2,630)	(2,830)	(2,830)	699	
-6,801	211	910		
6,561	6,549	7,500	951	Proposal will increase electrification authorizations from \$245 million to \$345 million; will decrease telephone authorizations from \$162.5 million to \$135 million. Legislation is proposed to permit receipts to be used to reduce NOA and net expenditures needed. Increase in administrative expenses is needed to provide adequate staff.
-164	5,454	8,614	3,160	
310,000	407,500	480,000	-63,326	
291,478	320,000	{†-135,826	{-95,826	
		{360,000	{-95,826	
		{†-135,826		
10,024	10,024	10,324	300	
9,901	9,965	10,318	353	
320,024	417,524	{490,324	{-63,026	
301,379	329,965	{†-135,826	{-95,473	
		{370,318		
		{†-135,826		
200,000	10,000	10,000		NOA in 1962 and 1963 is primarily for enlargement and development loans; \$500 thousand a year will be in grants for minor repairs. Direct rural housing loans and some farm labor housing loans are made from balances of prior NOA. This account has been converted to a direct loan account revolving fund.
57,651	91,000	89,000	-2,000	
267,000				
267,199				

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
FARMERS HOME ADMINISTRATION— Continued					
Current authorizations—Continued					
Salaries and expenses.....352 NOA Exp.	33,017 32,642	34,507 34,425	35,000 35,111	493 686	Expansion of program requires increase in administrative expenses.
Public enterprise funds:					
Direct loan account: Authoriza- tion to expend from debt re- ceipts.....352	326,000 31,561	326,000 31,561	58,922	-326,000 27,361	Revolving fund started in 1962. Receipts plus balances of prior NOA will more than cover proposed \$324 million loan program plus interest and incidental costs. Loan program for 1962 is \$276 million.
Emergency credit revolving fund 352	1,475	16,426	15,157	-1,269	(Receipts and balances will finance estimated \$54 million program.)
Agricultural credit insurance fund (indefinite permanent authori- zation to expend from debt receipts).....352	-6,144	-15,538	240 260	240 15,798	This account has permanent authority to borrow from Treasury. Sale of loans will bring minus expenditure in current year, but 1963 trans- actions will nearly balance. (Contingent liabilities for insured loans are estimated at \$309 million at the end of 1963.)
Total, Farmers Home Ad- ministration.	500,017 352,823	370,507 157,874	45,240 198,450	-325,267 40,576	
OFFICE OF THE GENERAL COUNSEL					
Current authorizations:					
Salaries and expenses.....355 NOA Exp.	3,550 3,409	3,645 3,625	3,800 3,780	155 155	Increased legal workload is expected on Forest Service, watershed pro- tection and flood prevention, and marketing and regulation.
OFFICE OF INFORMATION					
Salaries and expenses.....355 NOA Exp.	1,548 1,574	1,590 1,576	1,610 1,596	20 20	Increase is for new equipment.

Intragovernmental funds:		53	7	—7	
Advances and reimbursements	355 Exp.	1,548	1,590	1,610	
	NOA	1,627	1,583	1,596	20
	Exp.				13
Total, Office of Information					
CENTENNIAL OBSERVANCE OF AGRICULTURE					
Current authorizations:			100		
Salaries and expenses	355 NOA		53	47	—100
	Exp.				—6
NATIONAL AGRICULTURAL LIBRARY					
Salaries and expenses	355 NOA	951	1,028	1,220	192
	Exp.	946	1,018	1,177	159
Intragovernmental funds:					
Advances and reimbursements	355 Exp.	—2	—3	—3	
Total, National Agricultural Library		951	1,028	1,220	192
	NOA	944	1,015	1,174	159
	Exp.				
GENERAL ADMINISTRATION					
Current authorizations:					
General administration	355 NOA	3,080	3,096	3,698	602
	Exp.	3,029	3,098	3,698	600
Intragovernmental funds:					
Working capital fund	355 Exp.	25	15	15	
Advances and reimbursements	355 Exp.		—17	4	21
Total, General Administration		3,080	3,096	3,698	602
	NOA	3,054	3,096	3,717	621
	Exp.				

This nonrecurring appropriation is for the observance of the 100th anniversary in 1962.

The increase is to improve specialized library documentary service to agricultural scientists.

Increase will strengthen general administration of the Department and cover new Office of Rural Areas Development and new Office of Management Appraisal and Systems Development.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
FOREST SERVICE					
Current authorizations:					
Forest protection and utilization.....402	NOA	159,676	{ 169,809 +37,000	179,690	—27,119
Cooperative range improvement (special fund).....402	NOA	700	700	700	
Exp.		156,389	{ 164,712 +33,300	179,300 +3,700	—15,012
Forest roads and trails:					
Contract authorization:					
Current.....402	NOA		{ 40,000 +10,000		—50,000
Permanent.....402	NOA	35,000 (30,000)	{ (35,000) +6,500	(37,500) +6,500	(9,000)
Appropriation to liquidate contract authorization. 402	Exp.	31,096	35,973	37,843 +6,500	8,370
Access roads.....402	NOA	1,000	2,000	2,000	
Exp.		1,819	700	2,000	1,300
Acquisition of lands for national forests:					
Superior National Forest.....402	NOA	750	250	2,000	1,750
Exp.		46	400	1,200	800
Special acts (indefinite special fund).....402	NOA	10	10	10	
Exp.		9	10	10	
Cache National Forest.....402	Exp.	13	50	50	

Firefighting will require \$36 million extra for 1962; insect and disease control will require \$1 million. Increased costs of \$16.2 million for 1963, over 1962 basic amount, will go to forest land management and extra \$4.6 million to forest research. Receipts appropriation for cooperative range improvements are added to this account.

Legislation is proposed to add \$10 million to contract authority in 1962 to enable program to be accelerated in balance with the development program for the forests. Balances will then carry the program through 1963. Supplemental appropriation to liquidate will be needed, as shown, if legislation is enacted.

Interest in roads or rights-of-way is obtained to provide access to national forest areas where needed.

Increased appropriation will permit purchases of added land authorized by Public Law 87-351.

Certain forest receipts, otherwise payable to counties in Utah, are appropriated for lands in the Cache National Forest.

Balances of prior NOA are being used to obtain lands in the Cache National Forest.

Assistance to States for tree planting—402	NOA Exp.	6	1,000 550	1,000 1,000	450	Aid is given, mainly through grants, to various States for tree planting and reforestation.
Acquisition of lands, Klamath Indians—402	NOA Exp.	68,717 68,717				Payment was made in 1961 for 525,585 acres of Klamath Indian lands.
Permanent authorizations:						
Expenses, brush disposal (indefinite special fund)—402	NOA Exp.	6,762 6,727	9,000 7,001	9,000 8,451	1,450	Certain receipts from purchasers of timber are applied to brush disposal.
Roads and trails for States, national forests fund (indefinite special fund)—402	NOA Exp.	14,166 14,166	10,020 10,020	11,600 11,600	1,580 1,580	Permanent law makes available 10% of forest receipts for construction and maintenance of roads and trails within the States from which derived.
Miscellaneous permanent appropriations:						
Forest-fire prevention (indefinite special fund)—402	NOA Exp.	22 19	20 20	20 20		Fees for use of "Smokey Bear" are available for fire prevention campaign.
Restoration of forest lands and improvements (indefinite special fund)—402	NOA Exp.	5 8	196 140	196 150	10	Receipts from claims settlements and forfeitures of deposits are used for needed restorations.
Payments to Minnesota (Cook, Lake, and St. Louis Counties) from the national forests fund (indefinite special fund)—402	NOA Exp.	123 123	123 123	123 123		Certain receipts are distributed to 3 counties in which Superior National Forest lands are located.
Payments to counties, national grasslands—402	NOA Exp.	392 392	425 425	425 425		Of receipts from use of national grasslands, 25% is paid to the counties involved.
Payments to school funds, Arizona and New Mexico, act of June 20, 1910 (receipt limitation) (indefinite)—402	NOA Exp.	140 140	99 99	115 115	16 16	These States are paid a share of the National Forest receipts for school purposes.
Payments to States, national forests fund (indefinite special fund)—402	NOA Exp.	35,409 35,409	25,045 25,045	29,000 29,000	3,955 3,955	With minor exceptions, 25% of the National Forest receipts goes to the States for schools and roads.
Construction of warehouse and related facilities, Salt Lake City, Utah (indefinite special fund)—402	Exp.	25				(Receipts dedicated for this purpose prior to 1961 have been used.)

† Proposed for separate transmittal.

ANALYSIS OF NEW OBLIGATIONAL AUTHORITY AND EXPENDITURES BY AGENCY (in thousands of dollars)—Continued

Account and functional code	1961 enacted	1962 estimate	1963 estimate	Increase or decrease (—)	Explanation of NOA requests
DEPARTMENT OF AGRICULTURE—Continued					
FOREST SERVICE—Continued					
Intragovernmental funds:					
Working capital fund, Forest Service.....402	—560	784	—84	—868	
Total, Forest Service..... NOA	322,872	{ 258,697 }	235,879	—69,818	
Exp.	314,542	{ †47,000 }	271,203	{ }	
		{ 246,052 }	†10,200	2,051	
		{ †33,300 }			
Total, Department of Agriculture..... NOA	5,559,465	{ 7,863,841 }	6,965,211	—1,484,906	
Exp.	5,929,416	{ †147,450 }	†—538,826	—467,779	
		{ 7,142,857 }	7,248,404		
		{ †33,725 }	†—539,601		
DEPARTMENT OF COMMERCE					
General Administration					
Current authorizations:					
Salaries and expenses.....506 NOA	2,831	3,598	4,460	862	Initiation of new programs and increased emphasis on programs promoting economic growth have increased the workload. Also includes \$0.5 million to assume mobilization planning functions previously financed elsewhere.
Exp.	2,770	3,500	4,280	780	
Great Lakes Pilotage administration.....506 NOA	60				Financing has been transferred to Salaries and expenses, general administration.
Exp.	27	10		—10	
West Virginia Centennial Celebration.....506 NOA	10				Activity has been completed.
Exp.	1				
Participation in Century 21 Exposition position.....506 NOA		900		—900	Exposition closes Oct. 21, 1962.
Exp.	1,008	8,145	635	—7,510	

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Current authorizations:

SALARIES AND EXPENSES

For expenses necessary to perform agricultural research relating to production, utilization, and home economics, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$75,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two [, of which one shall be] for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, and for acquisition of sites therefor by donation, exchange, or purchase at a nominal cost not to exceed \$100, but unless otherwise provided, the cost of constructing any one building (except greenhouses) shall not exceed \$15,000, except for five buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for conversion of animal disease and parasite research facilities at Beltsville, Maryland:

Research: For research and demonstrations on the production and utilization of agricultural products, home economics, and related research and services, [including administration of payments to State agricultural experiment stations, \$77,311,000] \$77,982,000: *Provided*, That the limitations contained herein shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a) [: *Provided further*, That the Secretary of Agriculture may sell the Entomology Research Laboratory at Orlando, Florida, in such manner and upon such terms and conditions as he deems advantageous and the proceeds of such sale shall remain available until expended for the establishment of an entomology research laboratory: *Provided further*, That in the establishment of such laboratory the Secretary may acquire land therefor by donation or exchange: *Provided further*, That the Secretary may acquire approximately thirty-five acres of land at Kerrville, Texas, by donation, for research purposes]:

Plant and animal disease and pest control: For operations and measures, not otherwise provided for, to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine, and regulatory activities, as authorized by law, including expenses pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), [\$55,352,500] \$58,902,500, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases to the extent necessary to meet emergency conditions: *Provided*, That [no funds shall be used to formulate or administer a brucellosis eradication program for fiscal year 1963 that does not require minimum matching by any State of at least 40 per centum: *Provided further*, That the Secretary is authorized to acquire land for the plant pest control activities presently located at Gulfport, Mississippi], in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with Act of February 28, 1947, as amended, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts;

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat, and meat-food products, and the applicable provisions of the laws relating to process or renovated butter, [\$24,216,000] \$25,241,000.

Special fund: To provide for additional labor to be employed under contracts and cooperative agreements to strengthen the work

at research installations in the field, not more than \$1,000,000 of the amount appropriated under this head for the fiscal year 1961 may be used by the Administrator of the Agricultural Research Service in departmental research programs in the fiscal year [1962] 1963, the amount so used to be transferred to and merged with the appropriation otherwise available under "Salaries and expenses, Research". (5 U.S.C. 511-512, 524, 541c-541e, 563-564, 565a, 576, 2131; 7 U.S.C. 135-135k, 145-148a, 148c-164a, 166-167, 281-283, 391, 394-396, 401-404, 421-422a, 424-425, 427, 427i, 428a, 429-431, 433-434, 436-437, 851-855, 1292, 1651-1656, 1704, 1901-1906; 15 U.S.C. 69e; 16 U.S.C. 581-581a, 581f, 590a-590b, 590f, 590k; 18 U.S.C. 287; 19 U.S.C. 1201, 1306; 20 U.S.C. 191-194; 21 U.S.C. 71-91, 94-96, 98, 101-105, 111-114c, 114e-128, 130-131, 151-158, 342a, 346-346a; 26 U.S.C. 4817, 7235c; 31 U.S.C. 725a; 42 U.S.C. 1891-1893; 45 U.S.C. 71-74; 46 U.S.C. 466a-466b; 48 U.S.C. 1409m-1409o; 49 U.S.C. 1474(a), 1509(d); 46 Stat. 67; 75 Stat. 188, 481, 527; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Note.—Excludes \$404 thousand for activities transferred in the estimates to Cooperative State Experiment Station Service and includes \$751 thousand for activities previously carried under Salaries and expenses, Farmers Home Administration. The amounts obligated in 1961 and 1962 are shown in the schedule as comparative transfers.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Research:			
(a) Farm research.....	53,034	56,561	56,527
(b) Utilization research and develop- ment.....	17,810	18,793	18,793
(c) Nutrition and consumer use re- search.....	2,338	2,662	2,662
(d) Contingencies.....	-----	1,000	1,000
Total, research.....	73,182	79,016	78,982
2. Plant and animal disease and pest control:			
(a) Plant disease and pest control.....	21,512	24,938	25,138
(b) Animal disease and pest control.....	28,469	29,227	32,349
(c) Pesticides regulation.....	1,036	1,166	1,416
Total, plant and animal disease and pest control.....	51,017	55,331	58,903
3. Meat inspection.....	22,951	24,211	25,241
Total program costs ¹	147,150	158,558	163,126
Change in selected resources ²	-1,568	-1,043	-----
Total obligations.....	145,582	157,515	163,126
Financing:			
Comparative transfers to other accounts.....	3,565	329	-----
Unobligated balance lapsing.....	3,374	-----	-----
New obligational authority.....	152,520	157,844	163,126
New obligational authority:			
Appropriation.....	151,520	156,880	162,126
Transferred to "Operating expenses, Public Buildings Service," General Services Ad- ministration (75 Stat. 353).....	-----	-36	-----
Appropriation (adjusted).....	151,520	156,844	162,126
Reappropriation.....	1,000	1,000	1,000

¹ Includes capital outlay as follows: 1961, \$8,787 thousand; 1962, \$5,500 thousand; 1963, \$5,300 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjustments	1961	1962	1963
Stores.....	434	-----	421	421	421
Unpaid undelivered orders.....	9,353	-214	7,830	6,787	6,787
Advances.....	1,104	-----	858	858	858
Total selected resources.....	10,891	-214	9,109	8,066	8,066

AGRICULTURAL RESEARCH SERVICE—Continued**Current authorizations—Continued****SALARIES AND EXPENSES—Continued**

The Service conducts basic and applied research relating to the production and utilization of agricultural products, research on nutrition and consumer use, and carries out control and regulatory programs involving enforcement of plant and animal quarantines, meat inspection, and the control of diseases and insect pests of animals and plants.

1. *Research*—(a) *Farm research*.—Improved breeding, feeding, and management practices are developed for farm livestock, poultry, and domestic fur animals. Practical methods are sought for control of diseases and parasites affecting them.

Investigations are conducted to improve varieties of food; feed, fiber and other plants, and to develop new crops; to improve crop-production practices, including methods to control plant diseases and nematodes; and to improve chemical, biological, and other methods for control of harmful pests affecting farm production.

Research is conducted to improve fertilizers, soil management, irrigation, and conservation practices; to study hydrologic problems of agricultural watersheds; to determine the relation of soils to plant, animals, and human nutrition; and to apply engineering principles to improve efficiency and reduce costs of agricultural production.

Continuous review is maintained to emphasize work which will meet the problems of agricultural surpluses. The research is aimed at the profitable production of an adequate supply of food, feed, fiber, and other agricultural products of desired quality at minimum costs. Increased attention has been given to the production of agricultural products having industrial uses.

The proportion of farm research funds going into basic research to undergird the other research efforts has steadily increased, and is currently estimated at 36%.

The National Animal Disease Laboratory, and laboratories for research on cotton insects, northern grain insects, and southern grain insects were placed in operation in 1961 and will provide information of benefit to agriculture and to consumers. The 1963 estimates include increases for staffing laboratories recently authorized by Congress.

(b) *Utilization research and development*.—Chemical, physical, and biological research is conducted to develop increased industrial uses of farm products, and new and improved foods, feeds, and fabrics; and to develop improved methods for processing agricultural commodities.

(c) *Nutrition and consumer use research*.—Studies are made of nutrition, consumer use and food economics, and clothing and housing.

(d) *Contingencies*.—Beginning in 1962, \$1 million is available to meet urgent research needs that develop unexpectedly, when such needs cannot be met by redirection of resources from other projects.

A supplemental estimate for 1963 is anticipated for separate transmittal.

2. *Plant and animal disease and pest control*—(a) *Plant disease and pest control*.—Provision is made (1) through port-of-entry inspection to exclude from this country destructive insects, plant diseases, and nematodes that cause great damage to agricultural crops in other parts of the world; (2) to cooperate with States in eradicating or preventing spread of crop pests that become established

in this country; and (3) to assist States in suppressing incipient and emergency outbreaks of crop pests when and where they occur. An increase is proposed in 1963 for plant quarantine protection necessary because of increased travel and shipping. The volume of workload is indicated in the following table (in thousands):

	1959 actual	1960 actual	1961 actual
Inspections at ports of entry:			
Airplanes.....	134	139	130
Vessels.....	59	60	57
Vehicles from Mexico.....	21,120	22,657	24,250
Baggage, pieces of.....	21,331	22,025	22,637
Interceptions of unauthorized plant material.....	320	314	324

(b) *Animal disease and pest control*.—Programs are conducted to exclude communicable diseases of foreign origin from this country; to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics; to control and eradicate livestock diseases; and to maintain, through a marketing agreement with manufacturers and handlers, adequate supplies of hog cholera virus and serum for protection of swine. The estimates for 1963 propose increases for more adequate animal inspection and quarantine at ports to reduce the hazard of introduction of foreign animal diseases, and for a hog cholera eradication program.

The volume of protective activities is indicated by selected examples in the following table (in thousands):

	1959 actual	1960 actual	1961 actual
Animal import inspection:			
All animals.....	1,150	783	741
Import animal byproducts:			
Wool, bone, glands, etc. (pounds)....	664,611	965,480	606,325
Hides and skins (pounds).....	364,489	360,043	257,121
Sheep inspected for scabies.....	10,849	10,837	12,031
Scabies-infected sheep found.....	69	86	70
Cattle inspected for scabies.....	5,855	6,927	7,661
Scabies-infected cattle found.....	9	30	36
Inspections and dippings for cattle fever ticks.....	2,097	1,685	2,594
Cattle tested for tuberculosis.....	8,187	9,440	9,788
Tuberculosis reactors found.....	19	14	15
Cattle tested for brucellosis:			
Blood tests.....	14,169	12,468	13,419
Ring tests.....	30,693	30,764	36,818
Brucellosis reactors found.....	214	148	140
Animals inspected at public stockyards....	62,813	65,500	60,265
Diseased animals received or found.....	435	446	391
Supervision of production of veterinary biologics:			
Hog-cholera virus and anti-hog-cholera serum (doses).....	44,232	41,645	37,970
Hog-cholera vaccine (doses).....	44,068	38,035	37,452
Other vaccines (doses).....	3,676,452	3,394,411	4,471,761
Total bacterins (doses).....	130,021	121,224	131,484
Diagnostic agents (doses).....	75,281	62,097	48,185
Other serums (doses).....	11,799	9,832	7,715

(c) *Pesticides regulation*.—This provides for administration of the Federal Insecticide, Fungicide, and Rodenticide Act and related provisions of the Federal Food, Drug, and Cosmetic Act. The 1963 estimates propose an increase to handle increased registration workload.

3. *Meat inspection*.—Federal meat inspection is required for all meat in interstate commerce and is conducted to assure a clean and wholesome meat supply for human consumption, free from adulteration, and truthfully labeled. The work includes inspection of animals, carcasses and meat, and meat-food products at various stages of handling and processing. Measures are enforced to insure

informative labeling, and meats imported or exported are inspected. The estimates for 1963 include a proposed increase principally for additional inspection staff to service the expanding demand for Federal meat inspection.

The volume of inspections and examinations is indicated by examples given in the following table:

	1959 actual	1960 actual	1961 actual
Number of establishments covered.....	1,334	1,396	1,451
Cities in which plants are located.....	546	572	599
Inspection of live animals.....	99,419,254	107,504,884	104,329,407
Post mortem inspections.....	99,414,897	107,499,826	104,324,593
Animals and carcasses condemned.....	242,329	255,632	285,161
Inspection of processed meat and meat-food products (million pounds).....	17,618	18,698	18,461

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL RESEARCH SERVICE			
11 Personnel compensation:			
Permanent positions.....	90,788	97,975	101,578
Positions other than permanent.....	4,328	4,736	4,773
Other personnel compensation.....	1,260	974	984
Total personnel compensation.....	96,376	103,685	107,335
12 Personnel benefits.....	7,237	7,898	8,203
21 Travel and transportation of persons.....	4,535	5,127	5,205
22 Transportation of things.....	942	953	952
23 Rent, communications, and utilities.....	2,426	2,904	2,951
24 Printing and reproduction.....	812	843	899
25 Other services.....	11,279	13,200	13,457
Services of other agencies.....	5,122	5,150	5,127
26 Supplies and materials.....	8,972	10,007	10,951
31 Equipment.....	4,319	5,268	5,006
32 Lands and structures.....	863	579	405
41 Grants, subsidies, and contributions:			
Payment to Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease.....	19	22	22
42 Insurance claims and indemnities:			
Indemnities:			
Tuberculosis.....	376	300	300
Brucellosis.....	1,781	1,500	1,500
Scrapie of sheep.....	123	171	100
Anaplasmosis.....	1	1	1
Hog cholera.....		8	813
Claims—Federal Tort Claims Act.....	56		
Subtotal.....	145,239	157,616	163,227
Deduct quarters and subsistence charges.....	102	101	101
Total, Agricultural Research Service.....	145,137	157,515	163,126
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
25 Other services.....	43		
32 Lands and structures.....	402		
Total, General Services Administration.....	445		
Total obligations.....	145,582	157,515	163,126

Personnel Summary

Total number of permanent positions.....	15,886	16,849	17,238
Full-time equivalent of other positions.....	1,104	1,201	1,211
Average number of all employees.....	15,235	16,250	16,812
Number of employees at end of year.....	17,263	18,316	18,700
Average GS grade.....	7.7	7.9	7.9
Average GS salary.....	\$6,624	\$6,704	\$6,707
Average salary of ungraded positions.....	\$4,477	\$4,644	\$4,633

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which [accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704)] the Treasury Department determines to be excess to the normal requirements of the United States, for market development research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of [that Act,] the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704 (a)(k)), to remain available until expended, \$5,265,000: *Provided*, That [the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Agricultural Research Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with] this appropriation shall be available, in addition to other appropriations for these purposes, for the purchase of the foregoing currencies: *Provided further*, That [funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses] not to exceed \$25,000 of this appropriation shall be available for purchase of foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Market development research (sec. 104(a)).....	1,231	2,400	3,000
2. Agricultural and forest research (sec. 104(k)).....	900	2,600	4,000
Total program costs ¹	2,132	5,000	7,000
Change in selected resources ²	3,159	14,126	12,126
Total obligations.....	5,291	19,126	19,126
Financing:			
Comparative transfers from other accounts.....	-1,565	-1,530	-----
Unobligated balance brought forward.....	-14,786	-26,192	-13,861
Unobligated balance carried forward.....	26,192	13,861	-----
New obligational authority (appropriation).....	15,131	5,265	5,265

¹ Includes capital outlay as follows: 1961, \$12 thousand; 1962, \$8 thousand; 1963, \$1 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$4,018 thousand; 1961, \$7,177 thousand; 1962, \$21,303 thousand; and 1963, \$33,429 thousand.

Foreign currencies, generated by the sale of surplus agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, are used by the Department for market development research under section 104(a) and for agricultural and forest research under section 104(k). Work is carried on through agreements, in both basic and applied fields, by research institutions and organizations in foreign countries. This research serves to develop new foreign markets and to expand existing markets for agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco. It also provides for supplementary research on farm, forest, marketing, utilization, agricultural economics, and human nutrition problems. In 1963 this appropriation will be used to purchase only those currencies determined to be excess to the normal requirements of the United States. Total estimated cost in U.S. dollars (charged to regular appropriations) for the initiation and supervision of projects in 1963 is \$300 thousand.

AGRICULTURAL RESEARCH SERVICE—Continued**Current authorizations—Continued****SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)—Continued****Object Classification (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	12	26	26
Positions other than permanent.....			25
Other personnel compensation.....	6	6	6
Total personnel compensation.....	18	32	57
12 Personnel benefits.....	17	16	16
21 Travel and transportation of persons.....	117	125	125
22 Transportation of things.....	8	1	1
23 Rent, communications, and utilities.....	8	8	8
25 Other services.....	5,067	18,901	18,876
Services of other agencies.....	31	40	40
26 Supplies and materials.....	6	2	2
31 Equipment.....	19	1	1
Total obligations.....	5,291	19,126	19,126

Personnel Summary

Total number of permanent positions.....	9	9	9
Full-time equivalent of other positions.....			3
Average number of all employees.....	6	11	14
Number of employees at end of year.....	10	9	12
Average salary of ungraded positions.....	\$4,477	\$4,644	\$4,633

CONSTRUCTION OF FACILITIES

For construction of facilities and acquisition of the necessary land therefor by purchase, donation or exchange, **[\$800,000]** \$1,680,000, to remain available until expended: *Provided*, That the Secretary may purchase land at a price not in excess of \$10 for construction of facilities at Columbia, Missouri. (5 U.S.C. 565a; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Construction of facilities (total program costs).....	143	2,911	5,141
Change in selected resources ¹	311	4,660	-3,001
Total obligations.....	454	7,571	2,140
Financing:			
Unobligated balance brought forward.....		-7,296	-525
Unobligated balance carried forward.....	7,296	525	65
New obligational authority (appropriation).....	7,750	800	1,680

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$0; 1961, \$311 thousand; 1962, \$4,971 thousand; and 1963, \$1,970 thousand.

Funds were appropriated in 1961 and 1962 for construction of facilities for research at a number of locations. In 1963, funds are requested for expansion of the facilities at the U.S. Regional Poultry Research Laboratory, East Lansing, Mich., for research on avian leukosis; soil and water conservation research facilities at Sidney, Mont.; construction of animal inspection and quarantine facilities at two ports of entry; and modernizing heating plant, providing new storage, shops, and service center, and

reconditioning electric power system at the Agricultural Research Center, Beltsville, Md.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL RESEARCH SERVICE			
25 Services of other agencies.....	57	109	139
26 Supplies and materials.....	2		
31 Equipment.....	100	8	
32 Lands and structures.....		140	550
Total, Agricultural Research Service.....	159	257	689
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
25 Other services.....	295	218	440
32 Lands and structures.....		7,096	1,011
Total, General Services Administration.....	295	7,314	1,451
Total obligations.....	454	7,571	2,140

[STATE EXPERIMENT STATIONS]

[Payments to States and Puerto Rico: For payments to agricultural experiment stations to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), including administration by the United States Department of Agriculture, \$35,053,000; and payments authorized under section 204(b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U.S.C. 1623), \$500,000; in all, \$35,553,000.]

[Penalty mail: For penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, \$250,000.] (39 U.S.C. 321q; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Note.—Estimate of \$37,803 thousand for activities previously carried under this title has been transferred in the estimates to Cooperative State Experiment Station Service. The amounts obligated in 1961 and 1962 are shown in the schedule as comparative transfers.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Financing:			
Comparative transfers to other accounts.....	32,742	35,803	
Unobligated balance lapsing.....	61		
New obligational authority (appropriation).....	32,803	35,803	

[DISEASES OF ANIMALS AND POULTRY]

[Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, as amended, and the Act of May 29, 1884, as amended (7 U.S.C. 391; 21 U.S.C. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".] (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

ANIMAL DISEASE LABORATORY FACILITIES

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Facility for animal disease research and control (total program costs).....	2,389	620	-----
Change in selected resources ¹	-1,979	-121	-----
Total obligations.....	410	499	-----
Financing:			
Unobligated balance brought forward.....	-909	-499	-----
Unobligated balance carried forward.....	499		-----
New obligational authority.....			-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$2,100 thousand; 1961, \$121 thousand; 1962, \$0.

In previous years, \$16.5 million had been provided for establishment of animal disease research and control laboratory facilities. Construction of the facilities at Ames, Iowa, was started in August 1958. The laboratory buildings were completed in 1961. Construction of needed hay storage and warehouse facilities in 1962 will complete this installation.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL RESEARCH SERVICE			
22 Transportation of things.....	5		-----
25 Other services.....	1		-----
26 Supplies and materials.....	97		-----
31 Equipment.....	173		-----
32 Lands and structures.....	2	229	-----
Total, Agricultural Research Service.....	278	229	-----
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
21 Travel and transportation of persons.....	3	1	-----
23 Rent, communications, and utilities.....	1		-----
25 Other services.....	51	7	-----
32 Lands and structures.....	77	262	-----
Total, General Services Administration.....	132	270	-----
Total obligations.....	410	499	-----

RESEARCH FACILITIES

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Facilities for research on foot-and-mouth and other diseases of animals (total program costs).....	9	4	-----
Change in selected resources ¹	-9	-4	-----
Total obligations.....			-----
Financing:			
New obligational authority.....			-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$13 thousand; 1961, \$4 thousand; 1962, \$0.

Permanent authorizations:

ALTERATIONS AND IMPROVEMENTS, ANIMAL QUARANTINE STATION, CLIFTON, N.J.
(Indefinite special fund)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Alterations and improvements (total program costs) ¹	4		-----
Change in selected resources ²	-4		-----
Total obligations.....			-----
Financing:			
New obligational authority.....			-----

¹ Includes capital outlay as follows: 1961, \$4 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$4 thousand; 1961, \$0.

Under authority of the act of August 20, 1958 (72 Stat. 680), approximately 7 acres of land at the U.S. Animal Quarantine Station, Clifton, N.J., were conveyed to the city of Clifton. The Federal Government received \$83 thousand for this land, of which \$30 thousand was deposited on August 19, 1959, to a special account for alterations of buildings, facilities, and improvements on the remaining land at the station. This work is now completed.

ESTABLISHMENT OF AN ENTOMOLOGY RESEARCH LABORATORY
(Indefinite special fund)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Construction (total program costs).....		100	300
Change in selected resources ¹		300	-300
Total obligations (object class 32) (allocation to General Services Administration).....		400	-----
Financing:			
Unobligated balance brought forward.....		-400	-----
Unobligated balance carried forward.....	400		-----
New obligational authority (appropriation).....	400		-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1961, \$0; 1962, \$300 thousand; 1963, \$0.

The 1961 appropriation for Salaries and expenses, research, Agricultural Research Service, authorized the sale of the Department's Entomology Research Laboratory at Orlando, Fla., and application of the proceeds of sale to the construction of a new laboratory. An additional \$500 thousand was provided by the Supplemental Appropriation Act, 1961, under the appropriation Construction of facilities for the remainder of the total estimated cost of \$900 thousand for the new facilities. The Orlando property was sold in 1961 for \$400 thousand, which will be applied toward the construction of the new laboratory.

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations, as follows: "Agency for International Development," funds appropriated to the President. "Translation of publications and scientific cooperation," funds appropriated to the President. "United States dollars advanced from foreign governments," "United States educational exchange program, Department of State."

AGRICULTURAL RESEARCH SERVICE—Continued**Intragovernmental funds:****WORKING CAPITAL FUND, AGRICULTURAL RESEARCH CENTER**

This fund finances, on a reimbursable basis, central facilities and services furnished to agencies at the Agricultural Research Center (64 Stat. 658). The capital consists of \$300 thousand appropriated in 1951 and donated assets of \$261 thousand as of June 30, 1961. Earnings are retained to furnish adequate working capital.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Operating costs, funded: Maintenance and operation of central facilities and services:			
Cost of materials sold.....	1,173	1,078	1,060
Other expense.....	2,521	2,469	2,487
Total operating costs, funded.....	3,694	3,547	3,547
Capital outlay: Purchase of equipment.....	54	50	50
Total operating costs, funded, and capital outlay.....	3,748	3,597	3,597
Change in selected resources ¹	140	11	11
Total obligations.....	3,888	3,608	3,608
Financing:			
Revenues and other receipts:			
Proceeds from sale of equipment.....	5		
Sale of goods and services.....	3,761	3,587	3,587
Other revenue.....	13	13	13
Total revenues and other receipts.....	3,779	3,600	3,600
Unobligated balance brought forward.....	177	69	61
Unobligated balance carried forward.....	-69	-61	-53
Financing applied to program.....	3,888	3,608	3,608

¹ Balances of selected resources are identified on the statement of financial condition.

Summary of Sources and Application of Funds (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Obligations (from program and financing)	3,888	3,608	3,608
Increase (—) or decrease in gross unpaid obligations.....	-305	22	
Gross expenditures.....	3,582	3,630	3,608
Revenues and other receipts (from program and financing)	3,779	3,600	3,600
Increase (—) or decrease in accounts receivable, net.....	-278	40	
Applicable receipts.....	3,501	3,640	3,600
Budget expenditures.....	81	-10	8

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Revenue.....	3,774	3,600	3,600
Expense.....	3,737	3,590	3,590
Net operating income.....	37	10	10
Nonoperating income:			
Proceeds from sale of equipment.....	5		
Net book value of assets sold (—).....	-5		
Net nonoperating income.....			
Net income for the year.....	37	10	10
Retained earnings, beginning of year.....	55	92	102
Retained earnings, end of year.....	92	102	112

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	470	389	399	391
Accounts receivable, net.....	262	540	500	500
Materials and supplies ¹	86	96	89	100
Equipment, net.....	230	244	251	258
Total assets.....	1,048	1,269	1,239	1,249
Liabilities:				
Current.....	441	616	576	576
Government equity:				
Non-interest-bearing capital:				
Start of year.....	530	552	561	561
Donated capital during year.....	22	9		
End of year.....	552	561	561	561
Retained earnings.....	55	92	102	112
Total Government equity.....	607	653	663	673

Analysis of Government Equity (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Unpaid undelivered orders ¹	114	244	262	262
Unobligated balance.....	177	69	61	53
Invested capital and earnings.....	316	340	340	358
Total Government equity.....	607	653	663	673

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	1,676	1,696	1,696
Positions other than permanent.....	232	157	157
Other personnel compensation.....	77	64	64
Total personnel compensation.....	1,985	1,917	1,917
12 Personnel benefits.....	143	142	142
22 Transportation of things.....	3	3	3
23 Rent, communications, and utilities.....	365	385	385
24 Printing and reproduction.....	2	2	2
25 Other services.....	39	38	38
26 Supplies and materials.....	1,297	1,071	1,071
31 Equipment.....	53	50	50
42 Insurance claims and indemnities.....	1		
Total obligations.....	3,888	3,608	3,608

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	355	333	333
Full-time equivalent of other positions.....	58	37	37
Average number of all employees.....	381	354	354
Number of employees at end of year.....	468	420	420
Average GS grade.....	7.7	7.9	7.9
Average GS salary.....	\$6,624	\$6,704	\$6,707
Average salary of ungraded positions.....	\$4,477	\$4,644	\$4,633

ADVANCES AND REIMBURSEMENTS**Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Research.....	1,116	1,221	1,175
2. Plant and animal disease and pest control.....	693	586	586
3. Meat inspection.....	8,092	8,107	8,107

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Program by activities—Continued			
4. Miscellaneous services to other accounts.....	111	86	86
Total program costs.....	10,012	10,000	9,954
Change in selected resources ¹	10	-----	-----
Total obligations.....	10,022	10,000	9,954
Financing:			
Advances and reimbursements from—			
Other accounts.....	3,959	3,722	3,684
Non-Federal sources.....	6,262	6,278	6,270
Comparative transfers to other accounts.....	—199	-----	-----
Total financing.....	10,022	10,000	9,954

Note.—Reimbursements from non-Federal sources above are from proceeds of sales of charts (7 U.S.C. 1387) and personal property (40 U.S.C. 481(c)); from payments by non-Federal agencies for overtime work and travel performed at meatpacking establishments and veterinary biological establishments and for animal and plant quarantine inspection (5 U.S.C. 576; 7 U.S.C. 394, 396); from cooperating State, county, municipal, and private organizations for soil and water conservation work (16 U.S.C. 590a); and from refunds of terminal leave payments (5 U.S.C. 61(b)).

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$177 thousand; (1961 adjustments, —\$77 thousand); 1961, \$110 thousand; 1962, \$110 thousand; 1963, \$110 thousand.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	3,401	3,435	3,420
Positions other than permanent.....	95	96	90
Other personnel compensation.....	5,316	5,290	5,290
Total personnel compensation.....	8,812	8,821	8,800
12 Personnel benefits.....	271	273	272
21 Travel and transportation of persons.....	210	207	206
22 Transportation of things.....	32	30	30
23 Rent, communications, and utilities.....	73	70	68
24 Printing and reproduction.....	33	28	27
25 Other services.....	93	60	53
Services of other agencies.....	71	65	147
26 Supplies and materials.....	258	274	187
31 Equipment.....	169	172	164
Total obligations.....	10,022	10,000	9,954

Personnel Summary

Total number of permanent positions.....	71	74	73
Full-time equivalent of other positions.....	22	21	20
Average number of all employees.....	536	535	529
Number of employees at end of year.....	70	75	75
Average GS grade.....	7.7	7.9	7.9
Average GS salary.....	\$6,624	\$6,704	\$6,707
Average ungraded salary.....	\$4,477	\$4,644	\$4,633

COOPERATIVE STATE EXPERIMENT
STATION SERVICE

Current authorizations:

PAYMENTS AND EXPENSES

For payments to agricultural experiment stations and other expenses, and for grants for basic research, including \$36,053,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a–361i), including administration by the United States Department of Agriculture; \$500,000 for payments authorized under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623); \$950,000 for grants for support of basic scientific research under the Act approved September 6, 1958 (42 U.S.C. 1891–1893); \$250,000 for penalty mail costs of agricultural experiment stations under section 6 of the Hatch

Act of 1887, as amended; and \$454,000 for necessary expenses of the Cooperative State Experiment Station Service, including administration of payments to State agricultural experiment stations, of which not more than \$25,000 shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$38,207,000.

Note.—Estimate is for activities previously carried under "State experiment stations," Agricultural Research Service, and also includes \$404,000 for activities previously carried under "Salaries and expenses," Agricultural Research Service. The amounts obligated in 1961 and 1962 are shown in the schedule as comparative transfers.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Payments to agricultural experiment stations:			
(a) For agricultural research under the Hatch Act.....	31,271	34,225	35,195
(b) For marketing research under the Agricultural Marketing Act.....	500	500	500
2. Grants for basic research.....	1,110	1,232	1,312
3. Federal administration.....	250	250	250
4. Penalty mail.....	-----	-----	-----
Total program costs—obligations ¹	33,131	36,207	38,207
Financing:			
Comparative transfers from other accounts.....	—33,131	—36,207	-----
New obligatory authority (appropriation).....	-----	-----	38,207

¹ Includes capital outlay as follows: 1961, \$5 thousand; 1962, \$8 thousand.

Grants are allocated to agricultural experiment stations of the land-grant colleges in the States and Puerto Rico for agricultural research, including investigations and experiments to promote a permanent and efficient agricultural industry and improvements in the rural home and rural life. The States are contributing \$3.74 for every \$1 paid by the Federal Government. This proposed new appropriation continues activities previously conducted under the Agricultural Research Service. In September 1961, the Cooperative State Experiment Station Service was created as a separate agency of the Department.

An increase of \$1 million is proposed in Payments to States and Puerto Rico to strengthen the cooperative research program at the agricultural experiment stations. In addition, \$1 million is requested to initiate a program of grants for support of basic scientific research in 1963.

The planned distribution of the payments to agricultural experiment stations and the grants to institutions for this research for 1963 is (in thousands of dollars):

Distributed according to statutory formula.....	28,046
Regional research fund.....	7,149
Payments authorized for marketing projects.....	500
Grants for basic research.....	950
Total.....	36,645

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	809	899	946
Positions other than permanent.....	22	17	26
Other personnel compensation.....	3	-----	-----
Total personnel compensation.....	834	916	972
12 Personnel benefits.....	59	63	67
21 Travel and transportation of persons.....	105	117	130
22 Transportation of things.....	2	3	3
23 Rent, communications, and utilities.....	256	259	261

COOPERATIVE STATE EXPERIMENT STATION SERVICE—Continued

Current authorizations—Continued

PAYMENTS AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
24 Printing and reproduction.....	32	17	20
25 Other services.....	3	4	4
Services of other agencies.....	58	87	85
26 Supplies and materials.....	6	8	10
31 Equipment.....	5	8	10
41 Grants, subsidies, and contributions.....	31,771	34,725	36,645
Total obligations.....	33,131	36,207	38,207

Personnel Summary

Total number of permanent positions.....	106	116	120
Full-time equivalent of other positions.....	4	2	2
Average number of all employees.....	104	115	118
Number of employees at end of year.....	104	115	118
Average GS grade.....	8.6	8.6	8.5
Average GS salary.....	\$7,958	\$7,926	\$7,983

EXTENSION SERVICE

Current authorizations:

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Payments to States and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), **[\$58,020,000] \$59,020,000**; and payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), **\$1,570,000**; in all, **[\$59,590,000] \$60,590,000**: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, shall not be paid to any State or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Retirement costs for extension agents: For cost of employer's share of Federal retirement for cooperative extension employees, **[\$6,260,000] \$6,605,000**.

Penalty mail: For costs of penalty mail for cooperative extension agents and State extension directors, **\$2,490,000**.

Federal Extension Service: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U.S.C. 341-348), and the Act of August 11, 1955 (7 U.S.C. 347a), and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, **[\$2,464,500] \$2,724,500**. (39 U.S.C. 321i, 321n, 321p-q; *Department of Agriculture and Related Agencies Appropriation Act, 1962*.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Payments to States and Puerto Rico:			
(a) Payments for cooperative agricultural extension work under Smith-Lever Act.....	54,981	57,773	59,020
(b) Payments and contracts under the Agricultural Marketing Act.....	1,659	1,670	1,624
2. Retirement costs for extension agents.....	5,889	6,260	6,605
3. Penalty mail.....	2,490	2,490	2,490

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Program by activities—Continued			
4. Federal Extension Service.....	2,376	2,464	2,724
Total program costs ¹	67,395	70,657	72,464
Change in selected resources ²	-116	-100	-54
Total obligations.....	67,279	70,557	72,410
Financing:			
Unobligated balance lapsing.....	152	247	
New obligational authority (appropriation).....	67,431	70,804	72,410

¹ Includes capital outlay as follows: 1961, \$18 thousand; 1962, \$13 thousand; 1963, \$19 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Unpaid undelivered orders.....	326	-1	225	135	100
Advances.....	151	-48	87	77	58
Total selected resources.....	477	-49	312	212	158

The primary function of the nationwide system of cooperative extension work is out-of-school applied education in agriculture, home economics, and related subjects. This educational work takes research results, technological advancements, and situation and program facts of the Department of Agriculture, the State agricultural colleges and experiment stations, and incorporates them into a national educational program for action. Its objective is to provide farm people and others with information and assistance upon which they may make social and economic adjustments necessary for an efficient agricultural industry and improved rural homes and rural life.

1. *Payments to States and Puerto Rico*.—Funds appropriated under the Smith-Lever Act for payments to States and Puerto Rico are distributed primarily on the basis of farm and rural population and to a limited degree on the basis of special problems and needs. Funds appropriated under the Agricultural Marketing Act for educational work in marketing are distributed to the States and Puerto Rico on a matching basis under approved projects and on the basis of contracts. Funds are used primarily for the employment of State and county extension workers who work with rural families, marketing concerns, and others by providing advice and assistance in the application of improved methods involved in production, marketing, and family living. They assist local leadership to determine extension programs of work. Work with youth is accomplished largely through 4-H clubs.

The proposed increase in payments for cooperative agricultural extension work would be paid to the States on the basis of needs determined by the Department under section 3(d) of the Smith-Lever Act to provide more effectively for extension work in connection with the Rural Areas Development Program.

The scope of extension activities is reflected in the following selected statistics (in thousands):

	1958	1959	1960
Number of families assisted in adopting improved agricultural practices.....	7,947	8,040	8,437
Number of families assisted in adopting improved homemaking practices.....	7,475	8,453	10,381
Number of 4-H club members.....	2,254	2,302	2,297
Number of voluntary local leaders.....	1,281	1,277	1,276
Number of bulletins distributed.....	32,873	34,230	35,961

2. *Retirement costs for extension agents.*—The increase proposed is required to meet retirement costs of cooperative extension agents as authorized under Public Law 854, approved July 31, 1956. Cooperative extension agents are joint employees of the U.S. Department of Agriculture and the cooperating Land-Grant institutions. The employer's contribution to the Federal retirement fund, to match contributions of these agents, is provided by this Federal appropriation.

3. *Penalty mail.*—Funds to cover the cost of penalty mailings for State extension directors and cooperative extension agents in the States are provided under this appropriation.

4. *Federal Extension Service.*—The Federal Extension Service provides leadership, counsel, and assistance to the States and Puerto Rico in developing extension programs, improved teaching methods, efficient use of available resources, evaluation of programs, inservice training for extension personnel, and administrative services. The Federal Extension Service also coordinates the educational activities of other U.S. Department of Agriculture agencies. The proposed increase will permit the Federal staff of the Extension Service to more nearly meet increased responsibilities involved in an intensified extension program geared to needs of modern agriculture; to meet requests from the States for a greater amount of program leadership and assistance; and to provide educational coordination and assistance to the research, service, action programs, civil defense preparedness, and other authorized activities of the U.S. Department of Agriculture, in order that they may be promptly and appropriately applied.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	1,784	1,857	2,011
Positions other than permanent.....	3	4	2
Other personnel compensation.....	16	6	6
Total personnel compensation.....	1,802	1,867	2,019
12 Personnel benefits.....	6,023	6,402	6,760
21 Travel and transportation of persons.....	207	244	280
22 Transportation of things.....	28	30	42
23 Rent, communications, and utilities.....	2,528	2,529	2,533
24 Printing and reproduction.....	76	76	99
25 Other services.....	119	88	91
Services of other agencies.....	40	26	27
26 Supplies and materials.....	21	18	20
31 Equipment.....	20	10	23
41 Grants, subsidies, and contributions.....	56,414	59,268	60,515
Total obligations.....	67,279	70,557	72,410

Personnel Summary

Total number of permanent positions.....	237	243	260
Full-time equivalent of other positions.....	1	1	1
Average number of all employees.....	225	232	248
Number of employees at end of year.....	229	239	257
Average GS grade.....	8.8	8.8	8.9
Average GS salary.....	\$7,994	\$8,013	\$8,161

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation. "Agency for International Development," funds appropriated to the President.

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Cooperation with the Bureau of Indian Affairs on extension program with Indians.....	37	37	37
2. Assistance to agricultural stabilization and conservation committees and the Commodity Credit Corporation loan program in Alaska.....	16	22	22
3. Miscellaneous services to other accounts.....	17	8	8
Total program costs-obligations.....	70	67	66
Financing:			
Advances and reimbursements from—			
Other accounts.....	62	59	59
Non-Federal sources (5 U.S.C. 563, 564).....	8	8	8
Total financing.....	70	67	66

Object Classification (in thousands of dollars)

11 Personnel compensation: Permanent positions.....	37	30	30
12 Personnel benefits.....	3	2	2
21 Travel and transportation of persons.....	5	5	5
24 Printing and reproduction.....	3	5	5
25 Other services: Services of other agencies.....	5	2	2
41 Grants, subsidies, and contributions.....	16	22	22
Total obligations.....	70	67	66

Personnel Summary

Total number of permanent positions.....	3	3	3
Average number of all employees.....	4	3	3
Number of employees at end of year.....	3	3	3
Average GS grade.....	10.7	10.7	10.7
Average GS salary.....	\$9,651	\$10,261	\$10,261

FARMER COOPERATIVE SERVICE

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), **[\$657,000] \$757,000.** (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Research and technical assistance for farmers cooperatives (total program costs) ¹	656	657	757
Change in selected resources ²	-4	-----	-----
Total obligations.....	652	657	757
Financing:			
Unobligated balance lapsing.....	5	-----	-----
New obligational authority (appropriation).....	657	657	757

¹ Includes capital outlay as follows: 1961, \$4 thousand; 1962, \$3 thousand; 1963, \$7 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$16 thousand (1961 adjustments —\$3 thousand); 1961, \$9 thousand; 1962, \$9 thousand; 1963, \$9 thousand.

FARMER COOPERATIVE SERVICE—Continued**Current authorizations—Continued****SALARIES AND EXPENSES—Continued**

The Farmer Cooperative Service provides research, advisory, and educational assistance to farmers' marketing, purchasing, and service cooperatives. Problems of organization, financing, policies, management, merchandising, costs, efficiency, and membership are involved. Much of this work is carried on in cooperation with land-grant colleges, the Extension Service, and other Federal and State agencies. The 1963 increase will be used to provide additional assistance to farmers' cooperatives.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	504	513	570
Other personnel compensation.....	2		
Total personnel compensation.....	506	513	570
12 Personnel benefits.....	38	39	43
21 Travel and transportation of persons.....	29	29	37
22 Transportation of things.....	1	1	1
23 Rent, communications, and utilities.....	14	14	17
24 Printing and reproduction.....	43	40	57
25 Other services.....	2	2	3
Services of other agencies.....	11	11	16
26 Supplies and materials.....	5	5	6
31 Equipment.....	3	3	7
Total obligations.....	652	657	757

Personnel Summary

Total number of permanent positions.....	76	72	81
Average number of all employees.....	65	66	75
Number of employees at end of year.....	63	66	76
Average GS grade.....	9.1	8.8	8.8
Average GS salary.....	\$7,920	\$7,723	\$7,645

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation. "Agency for International Development," funds appropriated to the President.

Intragovernmental funds:**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Research and technical assistance for farmers cooperatives.....	5		
2. Marketing research activities (Agricultural Marketing Service and Economic Research Service).....	432	436	436
Total program costs.....	437	436	436
Change in selected resources ¹	6		
Total obligations.....	443	436	436

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
Advances and reimbursements from other accounts.....	445	436	436
Unobligated balance lapsing.....	-2		
Total financing.....	443	436	436

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$44 thousand (1961 adjustments -\$1 thousand); 1961, \$49 thousand; 1962, \$49 thousand; 1963, \$49 thousand.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	339	334	334
Other personnel compensation.....	1		
Total personnel compensation.....	340	334	334
12 Personnel benefits.....	25	25	25
21 Travel and transportation of persons.....	16	16	16
23 Rent, communications, and utilities.....	9	9	9
24 Printing and reproduction.....	15	14	14
25 Other services.....	30	30	30
Services of other agencies.....	5	5	5
26 Supplies and materials.....	3	3	3
Total obligations.....	443	436	436

Personnel Summary

Total number of permanent positions.....	53	49	48
Average number of all employees.....	43	42	42
Number of employees at end of year.....	43	43	43
Average GS grade.....	8.7	8.7	8.9
Average GS salary.....	\$7,465	\$7,479	\$7,589

SOIL CONSERVATION SERVICE

The Service is responsible for various soil and water conservation activities to aid farmers and ranchers in making physical adjustments in land use to conserve soil, water, and plant resources, establish a permanent and balanced agriculture, and reduce the hazards of floods and sedimentation. These activities are carried out in cooperation with Federal and State agencies and local organizations. The Service also has responsibility for administering the Great Plains conservation program and provides technical services in connection with the agricultural conservation program, and soil and water conservation loans made by the Farmers Home Administration.

Current authorizations:**CONSERVATION OPERATIONS**

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, **[\$89,725,000]** \$90,725,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and

with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service. (5 U.S.C. 133t, 511-512, 565a; 7 U.S.C. 1387, 1807; 16 U.S.C. 590q-1; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Direct program costs:			
1. Assistance to soil conservation districts and other cooperators (total direct program costs) ¹	87,756	89,636	90,725
Change in selected resources ²	257		
Total direct obligations	88,013	89,636	90,725
Reimbursable obligations:			
2. Technical services to agricultural conservation program participants	7,898	7,861	7,900
Total obligations	95,911	97,497	98,625
Financing:			
Advances and reimbursements from other accounts	-7,898	-7,861	-7,900
Unobligated balance lapsing	1,191		
New obligatory authority	89,204	89,636	90,725
New obligatory authority:			
Appropriation	88,604	89,725	90,725
Transferred to "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353)		-89	
Appropriation (adjusted)	88,604	89,636	90,725
Reappropriation	600		

¹ Includes capital outlay as follows: June 30, 1961, \$2,684 thousand; 1962, \$2,700 thousand; 1963, \$2,700 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Stores	138		129	129	129
Unpaid undelivered orders	964	-43	1,187	1,187	1,187
Total selected resources	1,102	-43	1,316	1,316	1,316

Assistance furnished to soil conservation districts and other cooperators consists primarily of: (a) standard soil surveys and special soil investigations to provide physical land facts needed for farm and ranch conservation planning and application of practices, and for use by other Federal, State, and local agencies and the public;

MAIN WORKLOAD FACTORS

[In millions of acres]

	1959 actual	1960 actual	1961 actual	Total as of June 30, 1961	1962 estimate	1963 estimate
Soil surveys	48.0	50.1	55.7	700.6	58.0	62.0
Range site determinations	14.0	14.5	17.9	121.2	18.5	19.0

(b) technical assistance to farmers and ranchers in planning of individual conservation programs for orderly adjustments of the use and treatment of their land; (c) management consultation and other technical assistance with installation of those practices and combinations of practices provided for in their farm and ranch conservation plans;

MAIN WORKLOAD FACTORS

	1959 actual	1960 actual	1961 actual	1962 estimate	1963 estimate
Total number					
Soil conservation districts	2,861	2,867	2,900	2,920	2,943
District cooperators	1,279,634	1,849,525	1,887,091	1,940,000	2,000,000
Basic conservation plans	1,279,634	1,301,450	1,358,290	1,430,000	1,500,000
Farms applying practices	647,107	644,832	690,006	705,000	720,000

(d) technical assistance to group enterprises with soil conserving water control problems that can best be solved through group action; (e) the granting of special equipment acquired from Federal Government surplus to soil conservation districts for use in the application of needed conservation practices (the original acquisition cost to the Government of such equipment in 1961 was \$2,396 thousand); (f) water supply forecasts developed from snow surveys in Western States which serve as a basis for planning for efficient seasonal use of water; (g) the selection, and testing of plant materials to determine their suitability for erosion control purposes; (h) technical assistance to agricultural conservation program participants in establishing specified conservation practices; (i) technical assistance to participants in Federal grain programs with planning and applying specified conservation practices and land use adjustments; (j) technical assistance in planning and applying the soil and water conservation practices for which loans are made by the Farmers Home Administration; (k) consultation and assistance to local rural areas development committees, and program planning in urban fringe areas; and (l) radiological monitoring and participation on USDA State and County Emergency Planning Committees and other cooperative activities as required.

The increase proposed would be used to expand snow survey operations (\$100 thousand), and to accelerate the rate of soil survey work (\$900 thousand).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Personnel Compensation:			
Permanent positions	72,331	74,200	75,064
Positions other than permanent	3,500	3,460	3,460
Other personnel compensation	511	135	161
Total personnel compensation	76,342	77,795	78,685
Direct obligations:			
11 Personnel compensation	69,685	71,186	72,041
12 Personnel benefits	5,419	5,539	5,625
21 Travel and transportation of persons	2,345	2,471	2,540
22 Transportation of things	492	523	544
23 Rent, communications, and utilities	2,805	2,827	2,905
24 Printing and reproduction	386	417	440
25 Other services	1,075	1,124	1,088
Services of other agencies	225	172	182
26 Supplies and materials	3,193	3,114	3,080
31 Equipment	2,390	2,162	2,195
32 Lands and structures	2	107	91
42 Insurance claims and indemnities	2		1
Subtotal	88,019	89,642	90,732

SOIL CONSERVATION SERVICE—Continued

Current authorizations—Continued

CONSERVATION OPERATIONS—Continued

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Deduct quarters and subsistence charges.....	6	6	7
Total direct obligations.....	88,013	89,636	90,725
Reimbursable obligations:			
11 Personnel compensation.....	6,657	6,609	6,644
12 Personnel benefits.....	517	531	535
21 Travel and transportation of persons.....	10	6	5
22 Transportation of things.....	1	3	3
23 Rent, communications, and utilities.....	3	1	
25 Other services.....	375	396	395
26 Supplies and materials.....	333	313	316
31 Equipment.....	2	2	2
Total reimbursable obligations.....	7,898	7,861	7,900
Total obligations.....	95,911	97,497	98,625

Personnel Summary

Total number of permanent positions.....	12,956	12,928	13,063
Full-time equivalent of other positions.....	897	904	904
Average number of all employees.....	12,422	12,552	12,651
Number of employees at end of year.....	14,609	14,534	14,669
Average GS grade.....	7.2	7.3	7.3
Average GS salary.....	\$6,189	\$6,273	\$6,261

WATERSHED PROTECTION

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001-1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), to remain available until expended, **[\$53,787,000]** \$59,635,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That not to exceed \$100,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed **[\$2,500,000]** \$3,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes. (5 U.S.C. 511-512; 75 Stat. 408; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Investigations and planning.....	4,912	5,500	5,500
2. Installation of works of improvement.....	25,919	42,233	45,802
3. Loans and related expense.....	447	4,594	3,500
4. Surveys and investigations of water resources programs.....	1,073	1,168	1,333
Total program costs ¹	32,351	53,495	56,135
Change in selected resources ²	7,214	2,763	3,500
Total obligations.....	39,565	56,258	59,635

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
Comparative transfers to other accounts.....	46		
Unobligated balance brought forward.....	-5,323	-2,512	
Unobligated balance carried forward.....	2,512		
New obligational authority.....	36,800	53,746	59,635
New obligational authority:			
Appropriation.....	36,800	53,787	59,635
Transferred to "Operating expenses, Public Buildings Service," General Services Administration (75 Stat 353).....		-41	
Appropriation (adjusted).....	36,800	53,746	59,635

¹ Includes capital outlay as follows: 1961, \$708 thousand; 1962, \$646 thousand; 1963, \$734 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961	1962	1963
Unpaid undelivered orders.....	17,492	24,713	27,476	30,976
Advances.....	31	24	24	24
Total selected resources.....	17,523	24,737	27,500	31,000

The Department cooperates with the States and other agencies in planning and installing works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water. It provides loans to local organizations to help them finance their share of the costs of certain works of improvement. The Department also cooperates with other agencies in making surveys and investigations of watersheds of rivers and other waterways as the basis for the development of coordinated programs.

MAIN WORKLOAD FACTORS

Activities	1961 actual	1962 estimate	1963 estimate
Applications:			
Received, current fiscal year.....	186	210	220
Received, cumulative at June 30.....	1,505	1,715	1,935
Not suitable for planning at June 30.....	335	345	355
Planning:			
Authorized, current fiscal year.....	93	125	125
Authorized, cumulative at June 30.....	659	784	909
Suspended or terminated at June 30.....	111	117	122
Completed, current fiscal year.....	84	110	110
Completed, cumulative at June 30.....	374	484	594
In process at June 30.....	174	183	193
Remaining to be planned at June 30.....	511	586	671
Not yet approved for operations.....	62	52	42
Operations:			
Authorized, current fiscal year.....	48	120	120
Authorized, cumulative at June 30.....	312	432	552
Completed, current fiscal year.....	12	25	35
Completed, cumulative at June 30.....	23	48	83
In process at June 30.....	289	384	469

1. *Investigations and planning.*—Surveys are made by the Department of proposed small watershed projects, and work plans are prepared in cooperation with the local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, cost-sharing and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development.

2. *Installation of works of improvement.*—The Department provides technical and financial assistance to local organizations to install the watershed works of improve-

ment for watershed protection, flood prevention, agricultural water management, and fish and wildlife development features specified in the work plans.

(a) *Pilot demonstration watersheds.*—The following table shows the status of the pilot watershed projects which were initiated in 1954 to demonstrate and evaluate the effects

of works of improvement installed in small watersheds for watershed protection and flood prevention. The estimate for 1962 includes \$148 thousand for repair or modification of a few structures in three reactivated projects. This work was determined to be a Federal responsibility rather than a maintenance responsibility of local sponsors.

Explanation	1961 actual		1962 estimate		1963 estimate	
	Number	Amount	Number	Amount	Number	Amount
Uncompleted projects at beginning of year and estimated completion cost.....	21	\$8,370	16	\$6,365	9	\$3,629
Status of projects and amounts obligated:						
1. Projects completed during the year.....	5	121	7	362	6	218
2. Continuing prior year projects.....	16	2,032	9	2,374	3	782
Total.....	21	2,153	16	2,736	9	1,000
3. Uncompleted projects at end of year: ¹						
(a) Obligations to date.....	16	21,585	9	15,672	3	9,776
(b) Estimated completion cost.....	16	6,217	9	3,629	3	2,629
4. Projects completed (cumulative) and total cost.....	38	15,535	45	24,185	51	31,081
5. Projects discontinued (cumulative) and total cost.....	8	330	8	330	8	330

¹ Includes obligations for project evaluation studies subsequent to the fiscal year 1959 on all projects on which these studies are being carried out.

(b) *Public Law 566 watersheds.*—After local sponsoring organizations have developed watershed work plans with the Department's assistance and the projects have been approved as suitable for Federal participation (projects involving an estimated Federal contribution in excess of \$250 thousand, or any single structure having a capacity in excess of 2,500 acre-feet require congressional approval), technical services and cost-sharing assistance are provided for specified works of improvement. On non-Federal lands local sponsoring organizations provide land easements and rights-of-way; contract for construction work; operate and maintain the projects; and in the case of multiple-purpose structures, bear a share of construction costs. Federal agencies do this work on Federal lands which they administer with appropriate contributions being made by the local people who receive benefits.

Advance engineering and technical assistance is furnished to all approved projects before they are advanced to the construction stage. During the advance engineering and technical assistance stage, surveys and investigations are made and detailed designs, specifications, and engineering cost estimates are prepared for construction of

structural works; areas are delineated where easements are required and technical assistance is furnished for accelerating planning and application of land treatment measures.

The project construction stage begins with execution of the first project agreement for construction of works of improvement, after required easements are obtained or assured and the local organization has met all other requirements. Under a project agreement the local sponsoring organization agrees to construct a segment of the project which may consist of an individual or an interrelated group of structures. The agreement obligates the Government to furnish its share of the construction cost. Payments are made to the local contracting organization in accordance with the project agreement as the work progresses. Engineering and other services are provided for the preparation of contracts and inspection of construction. Technical assistance in planning and installing land treatment measures is continued.

The following tabulation shows the status of Public Law 566 projects and amounts obligated or estimated to be obligated:

Explanation	1961 actual		1962 estimate		1963 estimate	
	Number	Amount	Number	Amount	Number	Amount
1. Projects approved for operations and estimated completion cost:						
(a) Uncompleted projects at beginning of year.....	253	\$165,534	289	\$178,540	384	\$255,290
(b) Projects approved during year.....	48	42,250	120	120,000	120	120,000
Total.....	301	207,784	409	298,540	504	375,290
2. Status of projects and amounts obligated:						
(a) Projects not requiring funds during year.....	28	-----	30	-----	30	-----
(b) Projects receiving advance engineering and technical assistance only.....	80	2,109	138	3,660	198	5,260
(c) Projects moved into construction stage during year.....	58	13,567	60	18,200	60	18,200
(d) Prior year projects continuing under construction.....	123	13,434	156	19,950	181	23,342
(e) Projects completed during year.....	12	134	25	1,440	35	2,000
Total.....	301	29,244	409	43,250	504	48,802
3. Uncompleted projects at end of year:						
(a) Obligations to date.....	289	72,898	384	107,986	469	134,288
(b) Estimated completion cost.....	289	178,540	384	255,290	469	326,488
4. Projects completed (cumulative) and total cost.....	23	4,422	48	12,584	83	35,084

SOIL CONSERVATION SERVICE—Continued

Current authorizations—Continued

WATERSHED PROTECTION—Continued

The 1962 program contemplates initiation of construction in about 60 watershed projects, involving 1962 obligations of \$18.2 million and total Federal cost of \$56.2 million. The 1963 estimates likewise provide for starting about 60 projects, with 1963 obligations of \$18.2 million and total Federal cost of \$60 million.

3. *Loans and related expense.*—Loans are made to local organizations to finance the local share of the cost of planned works of improvement to be installed in approved watersheds. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. Of the 1963 estimate for watershed protection, not to exceed \$3 million is to be available for such purpose together with unobligated balances of loan funds from prior years.

4. *Surveys and investigations of water resources programs.*—Current work includes participation with the Corps of Engineers in surveys in the Potomac River Basin, the Upper Mississippi River and Great Lakes drainage areas, and the Arkansas River multiple-purpose or navigation project in Arkansas and Oklahoma. In addition, studies are now being conducted under a cooperative arrangement with the Department of the Interior to reappraise the direct agricultural benefits anticipated from certain participating projects of the Upper Colorado River Storage Project. Surveys are also being made of the Tombigbee River area in cooperation with the Mississippi State Board of Water Commissioners and the Alabama Water Resources Study Commission; of the Humboldt River Basin with the Nevada Department of Conservation and Natural Resources; of the Central Willamette, Goose and Summer Lakes, Coose-Coquille, Umatilla and other river basins with the Oregon State Water Resources Board; of the Sevier River Basin with agencies of the State of Utah; and of the Gunnison River Basin with the Colorado Water Conservation Board. Some cooperative assistance is being provided to the river basin study commissions for the Southeast and the Texas River areas and may be provided to the State of Texas outside those river areas.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
SOIL CONSERVATION SERVICE			
11 Personnel compensation:			
Permanent positions.....	11,145	13,489	14,583
Positions other than permanent.....	890	1,316	1,406
Other personnel compensation.....	275	290	325
Total personnel compensation.....	12,310	15,095	16,314
12 Personnel benefits.....	915	1,149	1,240
21 Travel and transportation of persons.....	862	1,025	1,108
22 Transportation of things.....	101	191	206
23 Rent, communications, and utilities.....	329	357	386
24 Printing and reproduction.....	244	367	397
25 Other services.....	2,012	2,896	3,130
Services of other agencies.....	276	284	307
26 Supplies and materials.....	429	491	531
31 Equipment.....	605	495	535
41 Grants, subsidies, and contributions.....	17,903	28,388	30,692
42 Insurance claims and indemnities.....		7	
Total, Soil Conservation Service.....	35,986	50,745	54,846

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
ALLOTMENT ACCOUNTS			
11 Personnel compensation:			
Permanent positions.....	680	867	840
Positions other than permanent.....	87	87	87
Other personnel compensation.....	5	3	3
Total personnel compensation.....	772	957	930
12 Personnel benefits.....	56	70	68
21 Travel and transportation of persons.....	93	107	105
22 Transportation of things.....	16	12	12
23 Rent, communications, and utilities.....	20	22	19
24 Printing and reproduction.....	6	6	6
25 Other services.....	152	167	152
Services of other agencies.....	23	4	4
26 Supplies and materials.....	45	53	51
31 Equipment.....	15	13	14
32 Lands and structures.....	4	35	33
33 Investments and loans.....	2,045	3,545	2,900
41 Grants, subsidies, and contributions.....	331	522	495
Total, allotment accounts.....	3,578	5,513	4,789
Total obligations.....	39,565	56,258	59,635
Obligations are distributed as follows:			
Soil Conservation Service.....	35,986	50,745	54,846
Economic Research Service.....	306	307	319
Farmers Home Administration.....	2,110	3,645	3,000
Forest Service.....	1,033	1,421	1,341
Department of the Interior.....	130	140	129

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	1,817	2,082	2,288
Full-time equivalent of other positions.....	236	350	373
Average number of all employees.....	1,961	2,448	2,668
Number of employees at end of year.....	2,157	2,533	2,770
Average GS grade.....	7.2	7.3	7.3
Average GS salary.....	\$6,189	\$6,273	\$6,261
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	97	112	109
Full-time equivalent of other positions.....	19	19	19
Average number of all employees.....	105	135	132
Number of employees at end of year.....	112	135	134
Average GS grade.....	7.7	7.6	7.6
Average GS salary.....	\$6,694	\$6,561	\$6,595

FLOOD PREVENTION

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701-709, [74 Stat. 131] 16 U.S.C. 1006a), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), to remain available until expended, [\$25,000,000] \$24,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That not to exceed \$1,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes. (5 U.S.C. 511-512; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)			
	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Works of improvement.....	16,930	25,121	24,300
2. Loans and related expense.....	620	1,540	1,000
Total program costs ¹	17,550	26,661	25,300
Change in selected resources ²	3,848	971	-1,300
Total obligations.....	21,399	27,632	24,000
Financing:			
Unobligated balance brought forward.....	-4,462	-2,633	
Unobligated balance carried forward.....	2,633		
New obligational authority.....	19,570	24,999	24,000
New obligational authority:			
Appropriation.....	19,570	25,000	24,000
Transferred to "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353).....		-1	
Appropriation (adjusted).....	19,570	24,999	24,000

¹ Includes capital outlay as follows: 1961, \$902 thousand; 1962, \$1,248 thousand; 1963, \$1,441 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961	1962	1963
Unpaid undelivered orders.....	5,180	8,901	9,872	8,572
Advances.....		128	128	128
Total selected resources.....	5,180	9,029	10,000	8,700

1. *Works of improvement.*—The Department cooperates with soil conservation districts and other local organizations in planning and installing works of improvement for flood prevention and for furthering the conservation, development, utilization, and disposal of water in the 11 watersheds authorized by the flood control act of 1944. The Federal Government shares in the cost of works of improvement for flood prevention, agricultural water management, and fish and wildlife development features.

The Department furnishes accelerated technical assistance and some financial assistance to landowners in the installation of land treatment measures for runoff retardation, sediment control, and water management. Local sponsoring organizations must furnish all land, easements and rights-of-way, water rights, and the entire cost of works of improvement for nonagricultural water management measures, except those for fish and wildlife development, and operate and maintain all completed works of improvement.

2. *Loans and related expense.*—Loans are made to local organizations to help finance their share of the costs of planned works of improvement. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. Of the 1963 estimate for flood prevention, not to exceed \$1 million is to be available for such purpose, together with any unobligated balances of loan funds from prior years.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
SOIL CONSERVATION SERVICE			
11 Personnel compensation:			
Permanent positions.....	4,385	4,800	4,577
Positions other than permanent.....	622	804	778
Other personnel compensation.....	117	117	115
Total personnel compensation.....	5,125	5,720	5,470

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
SOIL CONSERVATION SERVICE—Con.			
12 Personnel benefits.....	375	423	408
21 Travel and transportation of persons.....	211	262	242
22 Transportation of things.....	26	42	39
23 Rent, communications, and utilities.....	148	163	159
24 Printing and reproduction.....	111	123	120
25 Other services.....	9,168	16,298	13,135
Services of other agencies.....	75	60	63
26 Supplies and materials.....	559	504	484
31 Equipment.....	174	168	155
41 Grants, subsidies, and contributions.....	1,472	13	
42 Insurance claims and indemnities.....	2		
Total, Soil Conservation Service.....	17,446	23,776	20,275
ALLOTMENT ACCOUNTS			
11 Personal compensation:			
Permanent positions.....	825	963	921
Positions other than permanent.....	499	533	509
Other personnel compensation.....	27	28	26
Total personnel compensation.....	1,351	1,524	1,456
12 Personnel benefits.....	80	87	83
21 Travel and transportation of persons.....	33	41	40
22 Transportation of things.....	80	87	83
23 Rent, communications, and utilities.....	21	23	22
24 Printing and reproduction.....	6	35	33
25 Other services.....	116	200	191
Services of other agencies.....	254	451	430
26 Supplies and materials.....	274	294	280
31 Equipment.....	16	19	18
32 Lands and structures.....	67	100	95
33 Investments and loans.....	1,655	995	995
41 Grants, subsidies, and contributions.....	35	38	36
Subtotal.....	3,988	3,894	3,762
Deduct quarters and subsistence charges.....	35	37	37
Total, allotment accounts.....	3,953	3,857	3,725
Total obligations.....	21,399	27,632	24,000
Obligations are distributed as follows:			
Soil Conservation Service.....	17,446	23,776	20,275
Economic Research Service.....		28	30
Farmers Home Administration.....	1,655	1,000	1,000
Forest Service.....	2,298	2,829	2,695

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	768	817	789
Full-time equivalent of other positions.....	177	224	219
Average number of all employees.....	925	1,031	1,002
Number of employees at end of year.....	1,042	1,093	1,060
Average GS grade.....	7.2	7.3	7.3
Average GS salary.....	\$6,189	\$6,273	\$6,261
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	133	141	135
Full-time equivalent of other positions.....	173	192	183
Average number of all employees.....	315	359	343
Number of employees at end of year.....	158	172	165
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,158	\$6,150

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (16 U.S.C. 590p), [\$10,168,000] \$13,000,000, to remain available until expended. (5 U.S.C. 511-512; 75 Stat. 319; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

SOIL CONSERVATION SERVICE—Continued**Current authorizations—Continued****GREAT PLAINS CONSERVATION PROGRAM—Continued****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Great Plains conservation program (total program costs) ¹	8,811	10,312	11,700
Change in selected resources ²	1,561	112	1,300
Total obligations.....	10,372	10,424	13,000
Financing:			
Unobligated balance brought forward.....	-461	-257	-----
Unobligated balance carried forward.....	257	-----	-----
New obligational authority.....	10,168	10,167	13,000
New obligational authority:			
Appropriation.....	10,168	10,168	13,000
Transferred to "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353).....	-----	-1	-----
Appropriation (adjusted).....	10,168	10,167	13,000

¹ Includes capital outlay as follows: 1961, \$24 thousand; 1962, \$39 thousand; 1963, \$42 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$14,227 thousand; 1961, \$15,788 thousand; 1962, \$15,900 thousand; 1963, \$17,200 thousand.

Cost-sharing contracts and technical assistance are offered by the Department to aid farmers and ranchers to develop and carry out long-range conservation plans designed to minimize climatic hazards and protect their lands from erosion and deterioration by natural causes. This is a voluntary program which supplements other conservation programs and activities in designated counties of the 10 Great Plains States. Cost-sharing contracts extend from 3 to 10 years and include a plan of operations for the farm and ranch and a time schedule for installing eligible conservation practices. December 31, 1971, is the final date for entering into contracts with cooperators. The maximum cost-share rate offered in any contract does not exceed 80% of the average cost of installing each eligible practice. Federal cost-sharing for constructing, enlarging, deepening or lining any individual dam, pit, or pond for irrigation water is limited to \$2,500. Furthermore, cost-sharing for conservation irrigation practices in any one contract must not exceed (1) \$2,500, or (2) approximately one-fourth of the total Federal obligation, whichever is the larger. Producers are also limited to a Federal cost-sharing ceiling of \$25 thousand for any one contract. The total cost-share that may be paid to producers is limited to \$25 million for any one program year and \$150 million for the total program.

The producer who signs a Great Plains program contract is responsible for accomplishing his plan of operations as scheduled, and is encouraged to use all available sources of assistance under other local, State, or Federal programs that contribute to achieving conservation land treatment and economic stability of the farm or ranch unit.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
SOIL CONSERVATION SERVICE			
11 Personnel compensation:			
Permanent positions.....	2,213	1,977	2,138
Positions other than permanent.....	146	171	176
Other personnel compensation.....	11	2	2
Total personnel compensation.....	2,370	2,150	2,316
12 Personnel benefits.....	184	167	177
21 Travel and transportation of persons.....	54	66	71
22 Transportation of things.....	8	11	11
23 Rent, communications, and utilities.....	65	81	87
24 Printing and reproduction.....	45	43	45
25 Other services.....	109	45	48
Services of other agencies.....	6	2	3
26 Supplies and materials.....	85	94	99
31 Equipment.....	34	51	53
41 Grants, subsidies, and contributions.....	7,323	7,624	10,000
Total, Soil Conservation Service.....	10,283	10,334	12,910
ALLOTMENT ACCOUNTS			
11 Personnel compensation:			
Permanent positions.....	19	25	25
Positions other than permanent.....	2	-----	-----
Total personnel compensation.....	21	25	25
12 Personnel benefits.....	2	2	2
21 Travel and transportation of persons.....	1	1	1
23 Rent, communications, and utilities.....	1	-----	-----
25 Other services.....	-----	-----	-----
Services of other agencies.....	2	2	2
Advanced to:			
"Local administration, section 388, Agricultural Adjustment Act of 1938" (7 U.S.C. 1388).....	43	43	43
"Administrative expenses, section 392, Agricultural Adjustment Act of 1938" (7 U.S.C. 1392).....	17	17	17
26 Supplies and materials.....	1	-----	-----
31 Equipment.....	1	-----	-----
Total, allotment accounts.....	89	90	90
Total obligations.....	10,372	10,424	13,000
Obligations are distributed as follows:			
Soil Conservation Service.....	10,283	10,334	12,910
Agricultural Stabilization and Conservation Service.....	60	60	60
Forest Service.....	16	17	17
Office of Information.....	13	13	13

Personnel Summary

SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	147	94	100
Full-time equivalent of other positions.....	38	42	43
Average number of all employees.....	384	352	386
Number of employees at end of year.....	257	219	237
Average GS grade.....	7.2	7.3	7.3
Average GS salary.....	\$6,189	\$6,273	\$6,261
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	3	3	3
Full-time equivalent of other positions.....	1	-----	-----
Average number of all employees.....	3	3	3
Number of employees at end of year.....	3	3	3
Average GS grade.....	7.4	7.4	7.4
Average GS salary.....	\$6,532	\$6,564	\$6,603

WATER CONSERVATION AND UTILIZATION PROJECTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Development of land for irrigation (total program costs—obligations).....	6	2	2
Financing:			
Unobligated balance brought forward.....	-135	-129	-127
Unobligated balance carried forward.....	129	127	125
New obligational authority			

The Service has been developing irrigation farming units for sale on the Eden Valley project in Wyoming where the Bureau of Reclamation has constructed the water storage facility and the principal canals. Land development for irrigation has been completed in accordance with the project plan prepared cooperatively with the Bureau of Reclamation. The farms developed in the project have been sold with the exception of four. One of these is being operated by the State of Wyoming as a demonstration farm under a memorandum of agreement. The sale of the other three tracts of land has been deferred because of irrigation water shortage. The Eden Valley Project Office has been closed. A soil conservation district has been organized and staffed to furnish technical assistance in soil and water conservation to the project settlers. Sufficient funds are available from prior-year appropriations to provide a reserve in case of need to protect the investment of the Government in the unsold tracts until they are disposed of and no new appropriations will be required.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions.....	6	1	1
12 Personnel benefits.....	1		
25 Other services.....		1	1
Subtotal.....	7	2	2
Deduct quarters and subsistence charges.....	1		
Total obligations	6	2	2

Personnel Summary

Average number of all employees.....	1		
Number of employees at end of year.....	0		

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriation, as follows:

"Conservation reserve program," Agricultural Stabilization and Conservation Service.

"Agency for International Development" funds appropriated to the President.

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Sale of maps and mosaics.....	595	671	684
2. Sale of personal property.....	585	614	624
3. Miscellaneous services to other accounts.....	1,592	1,656	1,692
Total program costs—obligations	2,772	2,941	3,000
Financing:			
Advances and reimbursements from—			
Other accounts.....	1,795	1,653	1,686
Non-Federal sources.....	977	1,288	1,314
Total financing	2,772	2,941	3,000

Note.—Reimbursements from non-Federal sources above are from State, county, municipal, and private organizations for soil and water conservation work rendered under cooperative agreements (16 U.S.C. 590a-590f); from Government agencies, farmers, or other persons for reproduction of aerial and other photographs, mosaics, and soil and land use and other maps (7 U.S.C. 1387); and from proceeds of sale of personal property (40 U.S.C. 481(c)).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	1,301	1,360	1,360
Positions other than permanent.....	66	72	70
Other personnel compensation.....	29	22	22
Total personnel compensation	1,396	1,454	1,452
12 Personnel benefits.....	101	103	103
21 Travel and transportation of persons.....	102	70	85
22 Transportation of things.....	13	14	11
23 Rent, communications, and utilities.....	50	55	53
24 Printing and reproduction.....	24	20	17
25 Other services.....	322	369	370
26 Supplies and materials.....	159	127	140
31 Equipment.....	605	729	769
Total obligations	2,772	2,941	3,000

Personnel Summary

Total number of permanent positions.....	73	71	71
Full-time equivalent of other positions.....	18	18	18
Average number of all employees.....	228	245	245
Number of employees at end of year.....	62	84	84
Average GS grade.....	7.2	7.3	7.3
Average GS salary.....	\$6,189	\$6,273	\$6,261

ECONOMIC RESEARCH SERVICE

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use

ECONOMIC RESEARCH SERVICE—Continued

Current authorizations—Continued

SALARIES AND EXPENSES—Continued

of resources in agriculture, adjustments, costs and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; [\$9,360,000] \$10,440,000: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That not to exceed \$75,000 of the appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574) as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis. (5 U.S.C. 511-512; 7 U.S.C. 411, 1761-1768; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Note.—Includes \$50 thousand for activities previously carried under "Salaries and expenses," Farmers Home Administration. The amount obligated in 1962 is shown in the schedule as a comparative transfer.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Farm economics.....	3,175	3,312	3,907
2. Marketing economics.....	3,347	3,439	3,439
3. Domestic and foreign economic analysis.....	2,393	2,659	3,094
Total program costs ¹	8,915	9,410	10,440
Change in selected resources ²	82	-----	-----
Total obligations.....	8,997	9,410	10,440
Financing:			
Comparative transfers from other accounts.....	-8,997	-50	-----
Newobligational authority (appropriation).....	-----	9,360	10,440

¹ Includes capital outlay as follows: 1961, \$94 thousand; 1962, \$76 thousand; 1963, \$93 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Unpaid undelivered orders.....	420	-22	479	479	479
Advances.....	6	-----	7	7	7
Total selected re- sources.....	426	-22	486	486	486

Agricultural economics research in the Department is administered by the Economic Research Service. The results of the research program are relied upon by producers, dealers, importers and exporters in planning the most profitable adjustments in their operations, by Government agencies in formulating and administering agricultural programs, and by Congress in considering agricultural legislation.

1. *Farm economics*.—This is a nationwide program of research dealing with the economic problems of agricultural production designed to analyze current and prospective changes and to indicate how farmers might adjust. The scope of the program includes such studies as: the economics of farm management; adjustments on farms to meet shifts in demands, conservation needs, and changing technologies; the problems of farm size, low incomes, and

depressed rural areas; capital and financing requirements of farm enterprises; the economic problems of land and water use; the appraisal of resource development potentials; and the appraisal of alternative agricultural production policies and programs.

The 1963 increase would provide for an expansion of studies in the economics of rural development, land and water use, farm size, and the prospective number of farms under alternative conditions.

2. *Marketing economics*.—This activity covers all the economic aspects of marketing farm products and includes such studies as the nature of farmers' bargaining power; potentials for new products and new uses; market structure, costs and margins; the economic effects of school lunch, special milk, food stamp, and direct food distribution programs.

3. *Domestic and foreign economic analysis*.—Domestic economic analysis is concerned with identifying, measuring and analyzing: (1) the factors affecting demand, supply, and price of agricultural commodities; (2) relationships between the agricultural sector and the national economy; (3) farm income and the income of the farm population; (4) demand and consumption of farm products; (5) long-term projections of economic growth and farm products demand; (6) farm population, manpower and levels of living; and (7) historical developments in the policies, programs, and organization of the Department.

Foreign economic analysis includes trade studies and the investigation of supply-demand relations. The trade and market studies focus on market development and the effect of economic development on agriculture. Supply and demand relations are being explored in more than 100 foreign countries, where the research is centered on the forces affecting supply, demand, and trade in farm products, and their impact on U.S. agricultural exports.

The 1963 increase would strengthen domestic economic analysis on farm population and income. It would also strengthen research on the economic development of foreign countries and their impact on demand for U.S. farm products.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	6,375	6,768	7,524
Positions other than permanent.....	149	192	206
Other personnel compensation.....	49	11	10
Total personnel compensation.....	6,573	6,971	7,740
12 Personnel benefits.....	491	521	580
21 Travel and transportation of persons.....	315	427	482
22 Transportation of things.....	19	33	38
23 Rent, communications, and utilities.....	127	95	113
24 Printing and reproduction.....	195	208	239
25 Other services.....	557	467	528
Services of other agencies.....	473	554	576
26 Supplies and materials.....	90	58	63
31 Equipment.....	157	76	81
Total obligations.....	8,997	9,410	10,440

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	1,146	1,191	1,313
Full-time equivalent of other positions.....	30	45	48
Average number of all employees.....	912	950	1,053
Number of employees at end of year.....	926	1,054	1,169
Average GS grade.....	8.2	8.2	8.2

Personnel Summary—Continued

	1961 actual	1962 estimate	1963 estimate
Average GS salary.....	\$7,034	\$7,099	\$7,119
Average salary of ungraded positions.....	\$6,406	\$6,403	\$6,403

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations, as follows:
 "Emergency fund for the President, National Defense."
 "Flood prevention," Soil Conservation Service.
 "Agency for International Development," funds appropriated to the President.
 "Watershed protection," Soil Conservation Service.

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Economic research.....	389	598	598
2. Miscellaneous services to other accounts.....	17		
Total program costs.....	406	598	598
Change in selected resources ¹	-2		
Total obligations.....	404	598	598
Financing:			
Advances and reimbursements from—			
Other accounts.....	403	598	598
Non-Federal sources (40 U.S.C. 481(c)).....	1		
Total financing.....	404	598	598

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$0 (1961 adjustments \$2 thousand); 1961, \$0; 1962, \$0; 1963, \$0.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	317	343	343
Positions other than permanent.....	11	18	18
Other personnel compensation.....	2		
Total personnel compensation.....	330	361	361
12 Personnel benefits.....	23	27	27
21 Travel and transportation of persons.....	25	43	43
22 Transportation of things.....	1		
23 Rent, communications, and utilities.....	6	6	6
24 Printing and reproduction.....	7	25	25
25 Other services.....	4	61	61
Services of other agencies.....	4	71	71
26 Supplies and materials.....	4	3	3
31 Equipment.....		1	1
Total obligations.....	404	598	598

Personnel Summary

Total number of permanent positions.....	41	54	54
Full-time equivalent of other positions.....	2	3	3
Average number of all employees.....	46	44	44
Number of employees at end of year.....	34	34	34
Average GS grade.....	8.2	8.2	8.2
Average GS salary.....	\$7,034	\$7,099	\$7,119
Average salary of ungraded positions.....	\$6,406	\$6,403	\$6,403

STATISTICAL REPORTING SERVICE

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, [\$8,748,000] \$9,693,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop.

[For an additional amount for "Salaries and Expenses", \$20,000.] (5 U.S.C. 511-512, 556b; 7 U.S.C. 411, 411a, 411b, 471, 475, 501, 951-957; Department of Agriculture and Related Agencies Appropriation Act, 1962; Supplemental Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Crop and livestock estimates.....	7,470	8,200	8,960
2. Statistical research and service.....	499	558	733
Total program costs ¹	7,969	8,758	9,693
Change in selected resources ²	132		
Total obligations.....	8,101	8,758	9,693
Financing:			
Comparative transfers from other accounts.....	-8,101		
New obligational authority.....		8,758	9,693
New obligational authority:			
Appropriation.....		8,768	9,693
Transferred to "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353).....		-10	
Appropriation (adjusted).....		8,758	9,693

¹ Includes capital outlay as follows: 1961, \$176 thousand; 1962, \$170 thousand; 1963, \$170 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$190 thousand (1961 adjustments -\$10 thousand); 1961, \$312 thousand; 1962, \$312 thousand; 1963, \$312 thousand.

The Service provides statistical data on food and agriculture to assist farmers and handlers in making production and marketing decisions, and to assist legislators and administrators with developing and in administering agricultural programs.

1. *Crop and livestock estimates.*—This service provides the official estimates on agriculture, including acreage, yield, and production of crops, stocks and value of farm commodities, numbers and inventory value of livestock, and prices paid and received by farmers. These data also are basic to computation of parity prices. Data on approximately 150 crop and livestock products are covered in some 700 reports issued each year. The activity is conducted through 43 State offices serving 50 States, most of which are operated as joint State and Federal services. Cooperative arrangements with State agencies provide a considerable volume of additional data which would not be collected or made available from Federal funds. During 1961 cooperating States expended an estimated \$1.4 million of their own funds on these associated State programs. A comparison of activity data for 1960 and

STATISTICAL REPORTING SERVICE—Continued

Current authorizations—Continued

SALARIES AND EXPENSES—Continued

1961, including work performed under cooperative arrangements, is as follows:

	1960 actual	1961 preliminary
Separate mailings of inquiry forms, average per field office.....	348	361
Total questionnaires handled:		
Number distributed.....	9,500,000	9,600,000
Number of returns tabulated.....	2,967,000	3,002,000
Number of objective survey contacts (measurements and interviews).....	39,000	90,300
Number of official reports issued, all offices.....	9,200	9,300
Copies of reports distributed.....	13,500,000	13,400,000
Publications distributed:		
Federal (mainly Agricultural Situation).....	3,067,000	3,185,000
State: Statistical and other.....	328,000	360,000
Special requests for information answered by field offices.....	69,000	69,000

The increase for 1963 would be used to place the long-range program to improve the crop and livestock estimating service in operation in more States.

2. *Statistical research and service.*—This work includes review of all statistical forms, survey plans, and reporting and recordkeeping requirements originating in the Department and needing Bureau of the Budget approval; liaison for coordination of statistics within the Department and with other statistical agencies; development of new and improved statistical methods and techniques, and providing technical consulting services to the Department; conduct of special surveys relating to the marketing of agricultural products; and systems analysis, computer programming, and consultation on automatic data processing. A comparison of activity data for 1960 and 1961 is as follows:

	1960 actual	1961 actual
Statistical forms cleared for review by Budget Bureau.....	662	558
Research projects on crop and livestock estimating methods.....	14	12
Research projects involving special surveys.....	15	14

The proposed increase for 1963 would provide for the development of advanced systems and programming techniques for automatic data processing and expanded research on statistical methods and techniques.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	5,233	5,879	6,330
Positions other than permanent.....	364	487	680
Other personnel compensation.....	47	16	16
Total personnel compensation.....	5,644	6,382	7,026
12 Personnel benefits.....	427	493	527
21 Travel and transportation of persons.....	412	469	637
22 Transportation of things.....	65	57	59
23 Rent, communications, and utilities.....	616	620	662
24 Printing and reproduction.....	226	217	225
25 Other services.....	346	182	191
Services of other agencies.....	11	52	52
26 Supplies and materials.....	162	170	179
31 Equipment.....	192	116	135
Total obligations.....	8,101	8,758	9,693

Personnel Summary

Total number of permanent positions.....	1,357	1,080	1,166
Full-time equivalent of other positions.....	90	119	169

Personnel Summary—Continued

	1961 actual	1962 estimate	1963 estimate
Average number of all employees.....	937	1,067	1,202
Number of employees at end of year.....	1,372	1,833	1,983
Average GS grade.....	6.5	6.8	6.7
Average GS salary.....	\$5,994	\$6,152	\$6,121
Average salary of ungraded positions.....	\$5,086	\$5,181	\$5,181

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations, as follows:
 "Emergency fund for the President, National Defense."
 "Agency for International Development," funds appropriated to the President.

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Statistical and tabulating services:			
Department of Agriculture.....	338	480	484
Other agencies.....	67	760	143
Total program costs.....	405	1,240	627
Change in selected resources ¹	1		
Total obligations.....	406	1,240	627
Financing:			
Advances and reimbursements from—			
Other accounts.....	403	1,218	605
Non-Federal sources.....	3	22	22
Total financing.....	406	1,240	627

Note.—Reimbursements from non-Federal sources are derived from the sale of personal property being replaced (40 U.S.C. 481(c)), and from a cooperating State department of agriculture (7 U.S.C. 1624).

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$0; 1961, \$1 thousand; 1962, \$1 thousand; 1963, \$1 thousand.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	285	618	428
Positions other than permanent.....		228	13
Other personnel compensation.....	1	3	3
Total personnel compensation.....	286	850	445
12 Personnel benefits.....	21	60	34
21 Travel and transportation of persons.....	43	158	14
23 Rent, communications, and utilities.....	38	139	113
24 Printing and reproduction.....	3	12	10
25 Other services.....	6	4	3
Services of other agencies.....		1	
26 Supplies and materials.....	3	12	6
31 Equipment.....	6	4	2
Total obligations.....	406	1,240	627

Personnel Summary

Total number of permanent positions.....	24	117	81
Full-time equivalent of other positions.....		62	4
Average number of all employees.....	42	174	79
Number of employees at end of year.....	24	44	44
Average GS grade.....	6.5	6.8	6.7
Average GS salary.....	\$5,994	\$6,152	\$6,121

AGRICULTURAL MARKETING SERVICE

Current authorizations:

MARKETING RESEARCH AND SERVICE

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, including the administration of marketing regulatory acts connected therewith; *research and development, including related cost and efficiency evaluations, and services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States; and not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem, pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946, \$40,335,000: Provided, That appropriations hereunder shall be available pursuant to 5 U.S.C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$15,000, except for two buildings to be constructed or improved at a cost not to exceed \$30,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$5,000 or 5 per centum of the cost of the building, whichever is [greater:] greater*

【Marketing research: For research and development relating to agricultural marketing and distribution, including related cost and efficiency evaluations, \$4,740,000;】

【Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States, \$33,299,500, including not to exceed \$25,000 for employment at rates not to exceed \$50 per diem, except for employment in rate cases at not to exceed \$100 per diem, pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in carrying out section 201(a) to 201(d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1291) and section 203(j) of the Agricultural Marketing Act of 1946】. (5 U.S.C. 511-512, 541a, 556b, 563-564, 575; 7 U.S.C. 51-65, 71-87, 91-99, 181-229, 241-273, 414a, 415b, 415e, 423, 440, 471-476, 491-497, 499a-499s, 501-508, 511-511q, 516, 581-589, 1551-1610; 15 U.S.C. 251-257i; 21 U.S.C. 94a, 451-469; 26 U.S.C. 4851-4854, 4861-4865, 4871-4877, 6001, 6804, 7233, 7263, 7492-7493, 7701; 31 U.S.C. 725d; 75 Stat. 220; 50 U.S.C. 2061 et seq. and EPO-1; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Direct program:			
1. Marketing research.....	4,214	4,759	4,759
2. Market news service.....	5,207	5,454	5,687
3. Inspection, grading, classing, and stand- ardization.....	20,536	24,525	25,881
4. Regulatory activities.....	3,211	3,448	3,925
5. Administration and coordination of State payments.....	68	83	83
Total direct program costs ¹	33,236	38,269	40,335
Change in selected resources ²	-14		
Total direct obligations.....	33,223	38,269	40,335
Reimbursable program—obligations:			
3. Inspection, grading, classing, and stand- ardization ³	3,541	1,100	1,128
Total obligations.....	36,764	39,369	41,463
Financing:			
Comparative transfer to other accounts.....	13,187		
Advances and reimbursements from other accounts.....	-3,541	-1,100	-1,128
Unobligated balance lapsing.....	811		
New obligational authority.....	47,221	38,269	40,335

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
New obligational authority:			
Appropriation.....	47,221	38,039	40,335
Transferred from "Removal of surplus agri- cultural commodities" (5 U.S.C. 572).....		285	
Transferred to "Operating expenses, Public Buildings Service," General Services Ad- ministration (75 Stat. 353).....		-55	
Appropriation (adjusted):			
Current.....	47,221	37,984	40,335
Permanent.....		285	

¹ Includes capital outlay as follows: 1961, \$492 thousand; 1962, \$394 thousand; 1963, \$455 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Unpaid undelivered orders.....	766	-43	716	716	716
Advances.....	7	---	---	---	---
Total selected resources.....	773	-43	716	716	716

³ Includes capital outlay as follows: 1961, \$59 thousand; 1962, \$9 thousand; 1963, \$4 thousand.

The domestic agricultural marketing and distribution functions of the Department are concentrated primarily in the Agricultural Marketing Service. The marketing job is increasing in complexity as the market structure is subjected to near revolutionary changes such as concentration in food retailing, trend toward direct buying, decentralization of processing, growth of interregional competition, and growing trend toward vertical integration and contract farming.

1. *Marketing research.*—This work is directed toward developing practical answers to problems encountered in moving products from the farm to the consumer. In cooperation with public and private agencies and trade groups, efforts are made to develop objective methods to determine quality, reduce losses from waste and spoilage, and improve efficiency in the physical handling of farm products as they move through marketing channels. The work includes research at each stage of marketing, such as assembly points, terminal or central markets, and retail markets.

	1959 actual	1960 actual	1961 actual
Individual research projects:			
Active at end of year.....	268	275	301
Completed during year.....	60	71	56
Initiated during year.....	25	78	82
Contracts for marketing research by pri- vate firms or other non-Federal agen- cies:			
Number negotiated during year.....	16	11	18
Number in effect, end of year.....	29	24	32

2. *Market news service.*—This service provides current information on supply, movement, and prices at specific markets for practically all agricultural commodities. This day-to-day market information enables American farmers to determine where and when to sell and at what price. The information is collected and disseminated at year-round and seasonal offices maintained in more than 100 cities and towns, often with local and other support and cooperation generally from State departments of agriculture.

The proposed increase for 1963 would be used to strengthen and expand the over-all service by extending coverage of truck movement of fruits and vegetables, strengthening Federal-State relations and production area reporting, strengthening the leased teletype system and reinstating the midwest carlot meat report.

AGRICULTURAL MARKETING SERVICE—Con.

Current authorizations—Continued

MARKETING RESEARCH AND SERVICE—Continued

MARKET NEWS SERVICE

	1959 actual	1960 actual	1961 actual
States covered by cooperative agreement.....	40	41	41
Field Offices:			
Year-round.....	174	175	179
Seasonal.....	36	38	37
Buyers and sellers interviewed.....	21,742	21,567	22,287
Daily newspapers carrying reports (approximate).....	1,200	1,200	1,200
Stations broadcasting reports:			
Radio.....	1,470	1,470	1,470
Television.....	165	165	165
Mimeographed releases to growers, shippers, and others.....	25,733,345	24,673,455	23,364,240
Names on mailing list.....	295,139	273,185	268,445

3. *Inspection, grading, classing, and standardization.*—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of produce to promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of uniform quality products for market; and furnish consumers with more definite information on the quality of products they buy. The standards are applied by or under the supervision of Federal employees at the request of any interested party, and generally for a fee. The mandatory inspection of poultry for wholesomeness is also carried on under this project. Approximately 61% of the total cost of inspection, grading, and classing work was offset by fees and other revenue in 1961, which are shown principally under Agricultural Marketing Service Trust Funds.

STANDARDIZATION ACTIVITIES

	1959 actual	1960 actual	1961 actual
Grade standards in effect.....	1,385	1,545	1,523
Number of commodities covered.....	277	282	284

INSPECTION, GRADING, AND CLASSING ACTIVITIES UNDER APPROPRIATED FUNDS

	1961 actual	1962 estimate	1963 estimate
Cotton classings by Federal employees number.....	18,037,980	16,360,000	18,600,000
Grain inspections by licensees number.....	3,620,658	3,700,000	3,800,000
Volume inspected—1,000 bushels.....	7,145,705	7,250,000	7,300,000
Poultry inspection:			
Inspected production			
million pounds.....	8,236	9,294	9,626
Plants under inspection June 30.....	949	1,057	1,095
Cities in which plants are located			
June 30.....	618	649	695
Evisceration lines under inspection			
June 30.....	1,360	1,402	1,435
Tobacco auction markets number.....	177	177	177
Volume inspected at markets			
million pounds.....	1,973	2,000	2,000
Sets of buyers.....number.....	238	238	238

The increase for 1963 would be used for (1) development and maintenance of more precise and objective quality standards for agricultural commodities; (2) strengthening Federal supervision of grain inspection; and (3) inspecting the increasing volume of poultry produced and supervising new and enlarged poultry processing facilities. A supplemental will be proposed to provide for the increasing poultry inspection workload in 1962.

4. *Regulatory activities.*—These include the administration of such laws as packers and stockyards, standard container, United States warehouse, and Federal seed, to assure fair play in the market place and protect producers and handlers of agricultural commodities from financial loss due to careless or fraudulent marketing practices and preserve free and open competition in the marketing of farm products. Assistance is also provided to farmers and others in obtaining and maintaining equitable and reasonable transportation rates and services on farm products and supplies.

The increase for 1963 would be used to provide for more effective administration of the Federal Seed, Packers and Stockyards, and the U.S. Warehouse Acts.

	1961 actual	1962 estimate	1963 estimate
Packers and Stockyards Act:			
Yards posted and subject to supervision.....	2,217	2,270	2,320
Formal proceedings requiring action.....	156	211	264
Warehouse Act:			
Number of licensed warehouses.....	1,753	1,800	1,825
Capacity of licensed warehouses:			
Grain (million bushels).....	1,280.0	1,425.0	1,500.0
Cotton (million bales).....	13.6	13.6	13.6
Average number of supervisory inspections per warehouse.....	1.9	1.8	2.1
Seed Act:			
Import actions.....	18,720	19,000	19,000
Interstate investigations:			
Completed.....	959	1,000	1,000
Pending.....	549	500	500
Seed samples tested.....	22,374	22,750	25,000
Freight rate services:			
Formal litigation.....	80	80	80
Informal negotiations.....	35	35	35

5. *Administration and coordination of State payments.*—This covers the Federal activity required in administering the marketing service work performed by the States and financed jointly by State and Federal funds provided by the appropriation "Payments to States and possessions." In 1962, this work will be carried on in 40 States with 117 work projects, and this program level is expected to be continued in 1963.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL MARKETING SERVICE			
11 Personnel compensation:			
Permanent positions.....	25,899	26,886	28,170
Positions other than permanent.....	1,521	2,021	2,021
Other personnel compensation.....	231	192	193
Total personnel compensation.....	27,651	29,099	30,384
Direct obligations:			
11 Personnel compensation.....	25,048	28,361	29,646
12 Personnel benefits.....	1,905	2,345	2,456
21 Travel and transportation of persons.....	2,058	2,633	2,882
22 Transportation of things.....	272	304	328
23 Rent, communications, and utilities.....	1,594	1,896	2,020
24 Printing and reproduction.....	267	324	349
25 Other services.....	922	978	1,088
Services of other agencies.....	447	580	731
26 Supplies and materials.....	353	448	477
31 Equipment.....	290	299	358
32 Lands and structures.....	30		
42 Insurance claims and indemnities.....	36		
Total, direct obligations.....	33,223	38,169	40,335

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL MARKETING SERVICE—Continued			
Reimbursable obligations:			
11 Personnel compensation.....	2,603	738	738
12 Personnel benefits.....	172	50	50
21 Travel and transportation of persons.....	321	199	227
22 Transportation of things.....	112	34	34
23 Rent, communications, and utilities.....	136	41	41
24 Printing and reproduction.....	27	8	8
25 Other services.....	29	5	5
Services of other agencies.....	-----	2	2
26 Supplies and materials.....	73	19	19
31 Equipment.....	36	4	4
42 Insurance claims and indemnities.....	32	-----	-----
Total, reimbursable obligations.....	3,541	1,100	1,128
Total, Agricultural Marketing Service.....	36,764	39,269	41,463
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
24 Printing and reproduction.....	-----	5	-----
25 Other services.....	-----	77	-----
Services of other agencies.....	-----	18	-----
Total, General Services Administration.....	-----	100	-----
Total obligations.....	36,764	39,369	41,463

Personnel Summary

Total number of permanent positions.....	5,750	4,699	4,968
Full-time equivalent of other positions.....	329	438	438
Average number of all employees.....	4,403	4,537	4,740
Number of employees at end of year.....	4,138	4,349	4,649
Average GS grade.....	7.5	7.8	7.8
Average GS salary.....	\$6,294	\$6,502	\$6,480
Average salary of ungraded positions.....	\$4,522	\$4,560	\$4,541

Proposed for separate transmittal:

MARKETING RESEARCH AND SERVICE

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Poultry Products Inspection Act (total program costs—obligations).....	-----	450	-----
Financing:			
New obligational authority (proposed supplemental appropriation).....	-----	450	-----

Under existing legislation, 1962.—A proposed supplemental appropriation in the amount of \$450 thousand is anticipated for mandatory inspection of poultry and poultry products for wholesomeness.

CONSTRUCTION OF FACILITIES

For construction of facilities and acquisition of the necessary land therefor, as authorized by law, \$1,600,000, to remain available until expended. (5 U.S.C. 665a.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Construction of marketing research facilities (total program costs—obligations).....	-----	-----	1,600
Financing:			
New obligational authority (appropriation).....	-----	-----	1,600

The proposed appropriation would provide for construction of a marketing research facility at Dawson, Georgia, principally for peanut marketing research.

Object classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
25 Other services.....	-----	-----	60
32 Lands and structures.....	-----	-----	1,540
Total obligations.....	-----	-----	1,600

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,325,000. (*Department of Agriculture and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Payment for marketing service work (sec. 204(b) of the Agricultural Marketing Act of 1946) (total program costs—obligations) (object class 41).....	1,195	1,325	1,325
Financing:			
New obligational authority (appropriation).....	1,195	1,325	1,325

Payments are made on a matching fund basis to State marketing agencies for carrying out specifically approved marketing service programs designed to bring about improved marketing. Under this activity, marketing specialists work with farmers, marketing firms, and agencies in solving marketing problems and in putting to use marketing research results.

This program covers such projects as methods of maintaining and improving the quality of products; ways of reducing marketing costs; expanding outlets for surplus products; and the collection and dissemination of special State and local market information and statistics. Through this cooperative approach, the Federal Government's leadership and money are coupled with State resources and experience to aid in the solution of the most urgent local and area marketing problems.

In 1962, 41 States are conducting 118 projects under this program.

AGRICULTURAL MARKETING SERVICE—Con.**Current authorizations—Continued***SPECIAL MILK PROGRAM*

For necessary expenses to carry out the Special Milk Program, as authorized by the Act of August 8, 1961 (75 Stat. 319), \$105,000,000.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Cash payments to States.....			104,200
2. Operating expenses.....			800
Total program costs—obligations.....			105,000
Financing:			
New obligational authority (appropriation).....			105,000

Since its inception in 1955, the Special Milk Program has been financed through advances from Commodity Credit Corporation funds. The Agricultural Act of 1961 changes the financing to a direct appropriation beginning July 1, 1962. This appropriation will provide for continuing the program in 1963 at the same level of \$105 million authorized for 1962.

The program is designed to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under, child-care centers, summer camps and similar nonprofit institutions.

1. *Cash payments to States.*—Funds are advanced to State agencies to reimburse eligible participants for a part of the cost of the fluid milk consumed. An initial reserve is established at the beginning of the fiscal year for each State based on the total amount of reimbursement payments made during the preceding fiscal year adjusted for average growth. In selected needy schools, reimbursement payments may be made for the full cost of the milk for children who are unable to pay.

In 1961 approximately 2.5 billion half pints of fluid milk were consumed by children—more than five times the quantity in 1955, the first year of operation of the program. This represents 2.5% of the total nonfarm consumption of fluid milk in the United States. Efforts are being made in 1962 to bring the benefits of this program to more needy schools and needy children in areas of high economic distress.

Program activities from 1960 through 1963 are as follows:

	1960 actual	1961 preliminary	1962 estimate	1963 estimate
Outlets participating.....	83,922	86,476	87,500	88,500
Half-pints of milk reimbursed (million).....	2,384.7	2,463.4	2,700.0	2,960.2
Average reimbursement rate per half-pint.....	3.37¢	3.42¢	3.52¢	3.52¢

2. *Operating expenses.*—Administrative and technical assistance is furnished to State agencies, participating schools, and child-care institutions. Policies, procedures, and standards are developed for administering the program and determining eligibility. The program is administered directly where the State agency is prohibited by law from disbursing funds to such participants.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions.....			600
12 Personnel benefits.....			44
21 Travel and transportation of persons.....			82
22 Transportation of things.....			3
23 Rent, communications, and utilities.....			22
24 Printing and reproduction.....			16
25 Other services.....			18
26 Supplies and materials.....			15
41 Grants, subsidies, and contributions (cash payments).....			104,200
Total obligations.....			105,000

Personnel Summary

Total number of permanent positions.....			100
Average number of all employees.....			89
Number of employees at end of year.....			88
Average GS grade.....			7.8
Average GS salary.....			\$6,480
Average salary of ungraded positions.....			\$4,541

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751–1760), \$125,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: *Provided further*, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act: *Provided further*, That \$10,000,000 of this appropriation shall be available for assistance under section 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, \$2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children] for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the Act, not to exceed \$10,000,000 of this appropriation shall be available for assistance under sections 4 and 10 of the Act under such regulations as the Secretary may prescribe and without regard to provisions of that Act governing the apportionment of funds. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Food assistance:			
(a) Cash payments to States.....	93,664	98,600	108,600
(b) Commodity procurement.....	59,333	69,434	59,434
2. Operating expenses.....	1,627	1,966	1,966
Total program costs¹.....	154,624	170,000	170,000
Change in selected resources ²	16		
Total obligations.....	154,640	170,000	170,000
Financing:			
Unobligated balance lapsing.....	360		
New obligational authority.....	155,000	170,000	170,000

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
New obligational authority:			
Appropriation.....	110,000	125,000	125,000
Transferred from "Removal of Surplus Agricultural Commodities" (75 Stat. 231).....	45,000	45,000	45,000
Appropriation (adjusted):			
Current.....	110,000	125,000	125,000
Permanent.....	45,000	45,000	45,000

¹ Includes capital outlay as follows: 1961, \$18 thousand; 1962, \$12 thousand; 1963, \$12 thousand; excludes downward adjustment of \$90 thousand in prior year costs.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$9 thousand; 1961, \$25 thousand; 1962, \$25 thousand; 1963, \$25 thousand.

1. *Food assistance*, in the form of both funds and food, is provided to the States and possessions in serving lunches to schoolchildren. Each State's portion of the funds available is determined by a statutory formula which takes into account the number of school-age children in the State and the relationship between the per capita income of the State and the average United States per capita income.

The program is operated under an agreement entered into by the State educational agency and the Department of Agriculture. Schools make application to the State agency and if accepted are reimbursed for a part of the food cost of each meal served.

In 1961 the States contributed to this program \$860 million, most of which came from payments by children. This was far in excess of the statutory matching requirement of \$3 for each Federal dollar of cash payment.

This appropriation is also used to purchase food for distribution to the schools according to their need. Transfers are made to this appropriation from the fund authorized for the removal of surplus agricultural commodities for the purchase and distribution of agricultural commodities and other foods. Further, commodities acquired under price support and surplus removal programs, and assistance through the special milk program are available to the schools. The volume of surplus commodities distributed to schools, however, depends upon market conditions and the need for the Federal Government to remove surpluses.

The program during the peak month in 1961 provided lunches to over 31% of the approximately 42.2 million schoolchildren in the country. The number of lunches served, meeting nutritional requirements, increased approximately 5.49% over 1960. Participation in the program in December 1960 reached 13.5 million children in 63,960 schools and an appreciable increase is expected in 1962 and 1963.

Emphasis is being directed toward providing special assistance to needy schools. The budget proposes to provide this special assistance through cash payments instead of commodity distribution as authorized in 1962.

During 1961 about \$708 million worth of agricultural commodities were used in the program. About 19% of this amount represented commodities contributed under section 6 of the School Lunch Act and the Federal surplus removal and price support programs. Over 80% of the food used in the program was obtained through local suppliers.

A supplemental estimate for 1963 is anticipated for separate transmittal.

Participation in the program from 1960 through 1963 is as follows:

	1960 actual	1961 preliminary	1962 estimate	1963 estimate
No. of schools (month of peak participation).....	62,990	64,328	64,000	64,200
No. of schoolchildren (peak-thousands).....	12,839	13,453	14,300	15,100
No. of meals served (millions).....	2,153	2,270	2,386	2,520

Financing of the program in the last 3 years was as follows (in millions of dollars):

	1959	1960	1961
State and local contributions (total, including payments by children).....	708.8	775.8	824.7
Federal appropriation (National School Lunch Act):			
(a) Cash payments.....	93.8	93.7	93.7
(b) Commodity distribution.....	42.7	61.1	61.1
Surplus commodity distribution.....	66.8	70.9	71.6
Special milk program.....	72.4	78.1	81.8
Federal contributions.....	275.7	303.8	308.2
Total, all contributions.....	984.5	1,079.6	1,132.9

2. *Operating expenses* consist of furnishing administrative and technical assistance to State agencies and participating schools; formulating policies and administering the program, including audits; and administering the program directly in over 2,800 private schools where the State educational agency is prohibited by law from disbursing funds.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL MARKETING SERVICE			
11 Personnel compensation:			
Permanent positions.....	1,050	1,281	1,281
Positions other than permanent.....	4	9	9
Other personnel compensation.....	12	3	3
Total personnel compensation.....	1,066	1,293	1,293
12 Personnel benefits.....	76	95	95
21 Travel and transportation of persons.....	120	149	149
22 Transportation of things.....	3	5	5
23 Rent, communications, and utilities.....	52	45	45
24 Printing and reproduction.....	22	21	21
25 Other services.....	1	28	28
Services of other agencies.....	40	43	43
26 Supplies and materials.....	11	11	11
Grants of commodities to States.....	59,353	69,434	59,434
31 Equipment.....	16	12	12
41 Grants, subsidies, and contributions (cash payments).....	93,665	98,600	108,600
Total, Agricultural Marketing Service.....	154,425	169,736	169,736
ALLOCATION TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
11 Personnel compensation:			
Permanent positions.....	168	203	203
Positions other than permanent.....	1	12	12
Other personnel compensation.....	1		
Total personnel compensation.....	170	215	215
12 Personnel benefits.....	13	16	16
21 Travel and transportation of persons.....	1	1	1
22 Transportation of things.....	1	1	1
23 Rent, communications, and utilities.....	26	23	23
24 Printing and reproduction.....	1	2	2
25 Other services.....	1	2	2
Services of other agencies.....	1	1	1
26 Supplies and materials.....	1	2	2
31 Equipment.....	1	1	1
Total, Agricultural Stabilization and Conservation Service.....	215	264	264
Total obligations.....	154,640	170,000	170,000

AGRICULTURAL MARKETING SERVICE—Con.**Current authorizations—Continued****SCHOOL LUNCH PROGRAM—Continued****Personnel Summary**

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	176	202	202
Full-time equivalent of other positions.....	1	2	2
Average number of all employees.....	158	192	192
Number of employees at end of year.....	154	189	189
Average GS grade.....	7.5	7.8	7.8
Average GS salary.....	\$6,294	\$6,502	\$6,480
Average salary of ungraded positions.....	\$4,522	\$4,560	\$4,541
ALLOCATION TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
Total number of permanent positions.....	29	33	33
Full-time equivalent of other positions.....		3	3
Average number of all employees.....	29	36	36
Number of employees at end of year.....	6	8	8
Average GS grade.....	6.6	6.7	6.7
Average GS salary.....	\$6,109	\$6,182	\$6,200

Proposed for separate transmittal:

SCHOOL LUNCH PROGRAM**Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Food Assistance: Cash payments to States (total program costs—obligations).....			20,000
Financing:			
New obligational authority (proposed supple- mental appropriation).....			20,000

Under proposed legislation, 1963.—Legislation has been introduced in both Houses of Congress (H.R. 8962 and S. 2442) to amend the National School Lunch Act.

The principal change proposed would affect the formula for distributing cash payments to the States by introducing the factor of participation. Payments to the States would be based upon the number of complete meals served in the preceding year, with relatively higher per-meal payments to those States with per capita income below the national average. To prevent unnecessary disruptions in the program in those States that would receive a smaller share of the cash funds under the new formula, a one-year transition period has been provided. During the first year, 50% of the available funds would be apportioned to States under the old formula and 50% would be apportioned under the revised formula.

If the pending amendment to the basic law is effective for 1963, but the level of cash assistance available for distribution in 1963 is maintained at \$98.6 million, as in 1962, 28 States would lose funds the first year even though the transitional formula were in effect. The additional \$20 million would, therefore, permit a more orderly shift

to the new formula by minimizing the number of States which would experience any significant loss of funds because of the formula change.

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows:
 "Commodity Credit Corporation fund."
 "Commodity Credit Corporation, administrative expenses."
 "Agency for International Development," funds appropriated to the President.
 "Civil defense and defense mobilization functions of Federal agencies," Office of Emergency Planning.

Permanent authorizations:**PERISHABLE AGRICULTURAL COMMODITIES ACT FUND**

(Indefinite special fund)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Licensing dealers and handling complaints:			
Direct costs.....	793	829	776
Reimbursable costs.....	25	25	25
Total program costs ¹	818	854	801
Change in selected resources ²	1		
Total obligations.....	820	854	801
Financing:			
Unobligated balance brought forward.....	—345	—244	—108
Advances from "Marketing research and service" (7 U.S.C. 499s).....	—25	—25	—25
Unobligated balance carried forward.....	244	108	25
New obligational authority (appropriation)	693	693	693

¹ Includes capital outlay as follows: 1961, \$4 thousand; 1962, \$4 thousand; 1963, \$4 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$1 thousand; 1961, \$2 thousand; 1962, \$2 thousand; 1963, \$2 thousand.

License fees are deposited in this special fund and are used to meet costs of administering the Perishable Agricultural Commodities, Produce Agency, and Export Apple and Pear Acts (7 U.S.C. 491–497, 499a–499s, 581–589).

These acts are intended to assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal settlements agreeable to both parties, (b) formal decisions involving payments of reparation awards between parties, and (c) suspension or revocation of license and/or publication of the facts. Approximately 25 thousand licenses were in effect on June 30, 1961, and it is expected that licenses will remain at that level through 1963. Complaints are expected to increase slightly in 1963 to more than 2,400. Legislation authorizing an increase in license fees has been proposed. However, unless the pending legislation is enacted in sufficient time to establish increased fees by July 1, 1962, funds available will not be adequate to handle the 1962 level of complaints, settlements, and misbranding investigations.

Object Classification (in thousands of dollars)			
	1961 actual	1962 estimate	1963 estimate
Direct obligations:			
11 Personnel compensation:			
Permanent positions.....	657	678	635
Positions other than permanent.....	5	8	8
Other personnel compensation.....	3		
Total personnel compensation.....	665	686	643
12 Personnel benefits.....	24	25	21
21 Travel and transportation of persons.....	47	57	54
22 Transportation of things.....	1	2	1
23 Rent, communications, and utilities.....	28	28	26
24 Printing and reproduction.....	10	11	11
25 Other services.....	5	7	7
26 Supplies and materials.....	8	8	8
31 Equipment.....	6	5	5
Total, direct obligations.....	794	829	776
Reimbursable obligations:			
12 Personnel benefits.....	25	25	25
Total obligations.....	820	854	801

Personnel Summary

Total number of permanent positions.....	116	114	105
Full-time equivalent of other positions.....	1	2	2
Average number of all employees.....	107	113	104
Number of employees at end of year.....	109	115	106
Average GS grade.....	7.5	7.8	7.8
Average GS salary.....	\$6,294	\$6,502	\$6,480
Average salary of ungraded positions.....	\$4,522	\$4,560	\$4,541

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES

(Indefinite)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Commodity program payments:			
(a) Direct purchases.....	208,810	192,907	164,260
(b) Diversion payments.....	1,237		
(c) Production payments.....	1,538		
2. Food stamp program payments.....	658	20,000	50,000
3. Operating expenses.....	2,936	4,742	5,142
4. Marketing agreements and orders.....	1,906	7,351	5,598
Total program costs ¹	217,085	225,000	225,000
Change in selected resources ²	42,659		
Total program obligations.....	259,744	225,000	225,000
Financing:			
Unobligated balance brought forward.....	-300,000	-300,000	-300,000
Recovery of prior year obligations.....	-815		
Unobligated balance carried forward.....	300,000	300,000	300,000
Unobligated balance lapsing.....	7,894	47,668	49,000
New obligational authority.....	266,823	272,668	274,000
New obligational authority:			
Appropriation.....	319,961	325,827	324,000
Transferred to—			
"Promote and develop fishery products and research pertaining to American fisheries," Bureau of Commercial Fisheries, Department of the Interior (15 U.S.C. 713c as amended by Act of August 8, 1956).....	-5,321	-4,757	-5,000
"School lunch program," Agricultural Marketing Service (75 Stat. 231).....	-45,000	-45,000	-45,000
"Marketing research and service," Agricultural Marketing Service (5 U.S.C. 572).....		-285	

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
New obligational authority—Continued			
Transferred to—Continued			
"Salaries and expenses," Foreign Agricultural Service (75 Stat. 232).....	-2,817	-3,117	
Appropriation (adjusted).....	266,823	272,668	274,000

¹ Includes capital outlay as follows: 1961, \$54 thousand; 1962, \$55 thousand; 1963, \$40 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Stores.....	9,443		6,528	6,528	6,528
Unpaid undelivered orders.....	22,340	-815	67,100	67,100	67,100
Total selected re- sources.....	31,783	-815	73,628	73,628	73,628

Under section 32 of the act of August 24, 1935 (7 U.S.C. 612c), an amount equal to 30% of customs receipts during each calendar year (except for an amount equal to 30% of such receipts collected on fishery products transferred to the Department of Interior to encourage the distribution of fishery products), and unused balances up to \$300 million are available for expanding domestic and foreign market outlets for farm commodities. As provided in recent appropriation acts, transfers have been made from this fund to the school lunch program for the purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act. Section 32 funds are also authorized for the administration of marketing agreements and orders, and the section 22 import-control programs. The basic legislation provides that funds devoted to any one commodity or product thereof must not exceed 25% of funds available. It also provides that the funds must be devoted principally to perishable agricultural commodities other than those receiving price support under title II of the Agricultural Act of 1949, as amended. It has been determined that this provision can be legally satisfied by reserving the principal portion of section 32 funds for the use of perishable nonbasic agricultural commodities when the occasion arises warranting their use for such purpose.

1. *Commodity program payments are of four types:* (a) Direct purchases are donated to the school lunch program, charitable institutions serving needy persons, and persons certified by welfare agencies as eligible for relief; (b) Diversion payments enable processors to purchase surplus commodities on the domestic market, divert them to by-products and new uses, and sell them at prices comparable to competing products, thus creating new markets for surplus commodities; (c) Export payments, none of which were made in 1961, enable exporters to purchase surplus commodities on the domestic market and sell them on the world market at competitive world prices; (d) Production payments help to reestablish farmers' purchasing power. During the past 2 years assistance under these programs was given to the following commodity groups (in millions of dollars):

Obligations	1960	1961
Dairy products.....	51.2	117.1
Eggs and poultry.....	24.1	37.7
Fruits.....	7.8	1.6
Grains.....	10.8	3.0
Livestock.....	8.0	78.2
Peanut butter.....	2.3	12.6
Vegetables.....	.2	3.2
Miscellaneous.....	.3	.8
Total.....	104.7	254.2

AGRICULTURAL MARKETING SERVICE—Con.

Permanent authorizations—Continued

REMOVAL OF SURPLUS AGRICULTURAL COMMODITIES—Continued **(Indefinite)—Continued**

The use of section 32 program funds is contingent upon economic conditions. The estimates for both 1962 and 1963 reflect in total the requirements based on the situation as now foreseen. Distribution of the total in advance would be highly tentative since the type of program to be used is dependent upon a determination at the time of the kind of action which will best meet the particular need which had developed. If troublesome surpluses not now foreseen should develop, steps will be taken to use additional available funds for their removal or diversion as conditions might warrant.

2. *Food stamp program payments* aim to encourage increased domestic use of agricultural food commodities among low-income families through issuance of food coupons which may be used in retail stores for the purchase of commercial-brand foods. Based upon anticipated seasonal increase in the winter and early spring months, a peak of 200,000 needy persons are expected to participate in the pilot areas now in operation. To provide additional experience, the program will be continued on a slightly expanded pilot basis in 1963.

3. *Operating expenses* occur mainly in connection with purchasing, exporting, and diverting surplus commodities and in distributing section 32 and Commodity Credit Corporation commodities to eligible outlets. Distribution in 1961, including those under section 6 of the National School Lunch Act, is summarized below (in millions):

Distribution	Number of recipients (peak month)	Value of commodities distributed	Pounds of commodities distributed
By recipients:			
Schoolchildren.....	15.5	\$132.7	509.9
Needy persons.....	6.4	140.0	855.5
Persons in charitable institutions.....	1.4	34.0	155.4
Foreign countries: 104.....		208.2	2,358.6
Total.....		514.9	3,879.4
By program:			
Section 32.....		174.0	392.0
Donation by Commodity Credit Corporation under section 416.....		279.8	3,262.2
Section 6, National School Lunch Act.....		61.1	225.2
Total.....		514.9	3,879.4

Supervisory assistance is furnished local and State groups to encourage the preservation of surpluses for year-round use. In cooperation with the food trade, press and radio, greater consumption of abundant foods is encouraged. In 1961 the monthly plentiful foods list contained an average of 6 foods, and 7 national and 20 area, State, and local drives were conducted.

4. *Marketing agreements and orders* are put into effect upon request of producers or handlers after hearings and investigations, and approval by producers (and handlers in case of marketing agreements). They help to stabilize prices and benefit producers and consumers by establishing and maintaining orderly marketing conditions. Administration at the local level is financed by assessments upon handlers. On June 30, 1961, there were 80 orders in effect for milk and 43 covering tree fruits, tree nuts, and vegetables. Agreement and order programs pursuant to the Agricultural Act of 1961 are being financed under this project.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL MARKETING SERVICE			
11 Personnel compensation:			
Permanent positions.....	2,551	3,640	3,937
Positions other than permanent.....	10	14	19
Other personnel compensation.....	13	6	10
Total personnel compensation.....	2,574	3,660	3,966
12 Personnel benefits.....	193	278	295
21 Travel and transportation of persons.....	280	414	440
22 Transportation of things.....	10	14	17
23 Rent, communications, and utilities.....	112	132	150
24 Printing and reproduction.....	34	66	95
25 Other services.....	98	77	90
Services of other agencies.....	23	196	235
26 Supplies and materials.....	27	38	46
Grants of commodities to States.....	132,495	163,907	154,260
31 Equipment.....	39	60	71
41 Grants, subsidies, and contributions (Commodity program payments).....	2,196	20,000	50,000
Total, Agricultural Marketing Service.....	138,081	188,842	209,665
ALLOCATION TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
11 Personnel compensation:			
Permanent positions.....	1,163	1,573	1,771
Positions other than permanent.....	4	19	19
Other personnel compensation.....	3	2	2
Total personnel compensation.....	1,170	1,594	1,792
12 Personnel benefits.....	86	121	135
21 Travel and transportation of persons.....	69	347	309
22 Transportation of things.....	4	9	10
23 Rent, communications, and utilities.....	65	140	132
24 Printing and reproduction.....	14	63	67
25 Other services.....	25	168	207
Services of other agencies.....	4	39	41
Advanced to—			
"Administrative expenses, Sec. 392 Agricultural Adjustment Act of 1938" (7 U.S.C. 1392).....	5	395	195
"Local administration, Sec. 388, Agricultural Adjustment Act of 1938" (7 U.S.C. 1388).....	10	4,254	2,415
26 Supplies and materials.....	10	17	20
Grants of commodities to States.....	118,954	15,000	5,000
31 Equipment.....	10	11	12
41 Grants, subsidies, and contributions.....	1,237	14,000	5,000
Total, Agricultural Stabilization and Conservation Service.....	121,663	36,158	15,335
Total obligations.....	259,744	225,000	225,000

Personnel Summary

AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	455	561	601
Full-time equivalent of other positions.....	3	3	4
Average number of all employees.....	359	516	561
Number of employees at end of year.....	417	530	565
Average GS grade.....	7.5	7.8	7.8
Average GS salary.....	\$6,294	\$6,502	\$6,480
Average salary of ungraded positions.....	\$4,522	\$4,560	\$4,541
ALLOCATION TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
Total number of permanent positions.....	190	241	271
Full-time equivalent of other positions.....	1	3	3
Average number of all employees.....	169	238	263
Number of employees at end of year.....	189	225	240
Average GS grade.....	6.6	6.7	6.7
Average GS salary.....	\$6,109	\$6,182	\$6,200

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Market news service:			
Department of Agriculture.....	29	75	75
State agencies under cooperative agree- ment.....	213	209	209
Non-Federal sources.....	1	1	1
2. Poultry Products Inspection Act:			
Department of Agriculture.....	110	76	76
Non-Federal sources.....	1,682	1,800	1,800
3. Inspection, grading, classing, and stand- ardization:			
Department of Agriculture.....	31	40	40
Other Federal agencies.....	7	7	7
Non-Federal sources.....	351	315	315
4. Wool marketing agreements.....	12	2	-----
5. Research on cotton quality evaluation.....	91	159	-----
6. Entomological research for Navy.....	6	34	34
7. Storage research on Commodity Credit Corporation-owned grain.....	95	137	129
8. Miscellaneous services to other accounts.....	21	13	13
9. Prior year advances returned.....	15	-----	-----
Total program costs ¹	2,664	2,868	2,699
Change in selected resources ²	158	-167	-----
Total obligations.....	2,822	2,701	2,699
Financing:			
Comparative transfers to other accounts.....	-290	-----	-----
Unobligated balance brought forward.....	14	2	-----
Advances and reimbursements from—			
Other accounts.....	844	368	368
Non-Federal sources.....	2,256	2,331	2,331
Unobligated balance carried forward.....	-2	-----	-----
Total financing.....	2,822	2,701	2,699

Note.—Reimbursements from non-Federal sources above include amounts from cooperating universities and State, county, local, and private agricultural agencies (5 U.S.C. 563, 564); from States, municipalities, persons, or licensed tobacco inspectors for services rendered (7 U.S.C. 511e); from sale of photographic slides (7 U.S.C. 1387) and personal property (40 U.S.C. 481(c)); for overtime and holiday work performed at poultry processing plants and in connection with appeals inspections on grain (21 U.S.C. 468; 7 U.S.C. 78); from refund of terminal leave payments (5 U.S.C. 61b); from jury fees (5 U.S.C. 30p); and from importers in connection with reconditioning seed (7 U.S.C. 1582 (a)). 1961 amounts exclude \$347 thousand of unfilled orders from other accounts at end of year which will become reimbursements of a subsequent year.

¹ Includes capital outlay as follows: 1961, \$10 thousand; 1962, \$8 thousand; 1963, \$5 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$1 thousand (1961 adjustments, \$8 thousand); 1961, \$167 thousand; 1962, \$0; 1963, \$0.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	850	864	862
Positions other than permanent.....	1	10	10
Other personnel compensation.....	1,447	1,551	1,551
Total personnel compensation.....	2,298	2,425	2,423
12 Personnel benefits.....	62	58	58
21 Travel and transportation of persons.....	70	72	72
22 Transportation of things.....	2	12	12
23 Rent, communications, and utilities.....	75	77	78
24 Printing and reproduction.....	3	8	7
25 Other services.....	267	12	12
Services of other agencies.....	1	7	7
26 Supplies and materials.....	16	22	22
31 Equipment.....	14	8	8
44 Refunds.....	14	-----	-----
Total obligations.....	2,822	2,701	2,699

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	149	154	154
Full-time equivalent of other positions.....	-----	2	2
Average number of all employees.....	130	142	141
Number of employees at end of year.....	106	104	104
Average GS grade.....	7.5	7.8	7.8
Average GS salary.....	\$6,294	\$6,502	\$6,480
Average salary of ungraded positions.....	\$4,522	\$4,560	\$4,541

FOREIGN AGRICULTURAL SERVICE

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$12,457,000] \$21,841,000: Provided**, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis **[: Provided further**, That, in addition, not to exceed \$3,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c), shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service¹. (5 U.S.C. 511-512; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Note.—Includes \$5,519 thousand for activities carried in 1962 under "Salaries and expenses (special foreign currency program)." Foreign Agricultural Service. The amounts obligated in 1961 and 1962 are shown in the schedule as comparative transfers.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. International agricultural affairs.....	371	374	482
2. Agricultural attachés.....	3,461	3,809	4,209
3. Market development programs.....	12,218	14,260	13,944
Total program costs ¹	16,050	18,443	18,635
Change in selected resources ²	1,247	685	3,206
Total obligations.....	17,297	19,128	21,841
Financing:			
Comparative transfers to or from other ac- counts (—).....	-9,685	-3,554	-----
Unobligated balance lapsing.....	61	-----	-----
New obligational authority.....	7,674	15,574	21,841
New obligational authority:			
Appropriation.....	4,856	12,457	21,841
Transferred from "Removal of surplus agri- cultural commodities" (75 Stat. 232).....	2,817	3,117	-----
Appropriation (adjusted):			
Current.....	4,856	12,457	21,841
Permanent.....	2,817	3,117	-----

¹ Includes capital outlay as follows: 1961, \$107 thousand; 1962, \$85 thousand; 1963, \$95 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Unpaid undelivered orders.....	4,369	93	5,874	6,513	9,523
Advances.....	1,261	-676	420	466	662
Total selected resources.....	5,630	-583	6,294	6,979	10,185

FOREIGN AGRICULTURAL SERVICE—Continued**Current authorizations—Continued****SALARIES AND EXPENSES—Continued**

The Foreign Agricultural Service administers programs and policies relating to foreign agriculture. It provides information and assistance as guides in the planning of production and marketing of U.S. agricultural commodities and helps smooth the channels through which exports move.

1. *International agricultural affairs.*—The Service directs Department participation in the formulation of trade programs and agreements to stabilize and expand world trade in American agricultural products, and to reduce restrictive tariff and trade practices against import of American agricultural commodities. Recommendations for the departmental positions on trade agreements and international commodity agreements are formulated. Continuous review is made of the trade regulations of signatories to the General Agreement on Tariffs and Trade as these regulations affect the movement of American farm products in international trade. Policies, programs, positions, and standards of participation in public and private international organizations are developed. The Service administers a program of import controls.

2. *Agricultural attachés.*—Agricultural attachés located in 55 countries assist in the development of markets abroad for U.S. agricultural commodities. A comprehensive schedule of foreign agricultural market and trade reporting is maintained to meet the needs of the American agricultural industry.

3. *Market development programs.*—Maintenance and expansion of foreign markets for surplus agricultural products are promoted by (a) analyzing information on foreign market requirements and making such information available to farm and trade groups; (b) developing market programs for use by producers, exporters and Government officials; (c) assisting domestic trade representatives in negotiations with foreign government officials, importers, and consumers and bringing together American exporters and foreign importers under conditions favorable to trade; (d) developing agreements with foreign countries for sales of U.S. agricultural commodities under Public Law 480, and followup on the shipments of those commodities; and (e) directing and financing the operation of market development projects for agricultural products. In 1963, funds provided under market development programs include the dollars required in countries where the only foreign currencies available to the United States are needed, and may be used, to meet the normal requirements of other agencies. Funds for programs in countries where the United States has excess currencies are included in the appropriation Salaries and expenses (special foreign currency program).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
FOREIGN AGRICULTURAL SERVICE			
11 Personnel compensation:			
Permanent positions.....	4,647	5,032	5,480
Positions other than permanent.....	46	45	45
Other personnel compensation.....	56	47	47
Total personnel compensation.....	4,749	5,124	5,572
12 Personnel benefits.....	525	579	657

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
FOREIGN AGRICULTURAL SERVICE—Continued			
21 Travel and transportation of persons.....	749	809	907
22 Transportation of things.....	202	235	289
23 Rent, communications, and utilities.....	166	144	161
24 Printing and reproduction.....	128	153	174
25 Other services.....	9,457	11,108	12,972
Services of other agencies.....	784	828	926
26 Supplies and materials.....	41	43	58
31 Equipment.....	158	101	125
Total, Foreign Agricultural Service.....	16,959	19,124	21,841
ALLOCATION TO DEPARTMENT OF COMMERCE			
21 Travel and transportation of persons.....	3		
22 Transportation of things.....	3		
23 Rent, communications, and utilities.....	35		
24 Printing and reproduction.....	1		
25 Other services.....	250	4	
26 Supplies and materials.....	3		
31 Equipment.....	43		
Total, Department of Commerce.....	338	4	
Total obligations.....	17,297	19,128	21,841

Personnel Summary

Total number of permanent positions.....	669	697	768
Full-time equivalent of other positions.....	10	10	10
Average number of all employees.....	622	685	756
Number of employees at end of year.....	663	691	762
Average GS grade.....	9.5	9.5	9.4
Average GS salary.....	\$8,555	\$8,526	\$8,370
Average salary of ungraded positions.....	\$2,811	\$2,889	\$2,864

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For purchase of foreign currencies which [accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704),] the Treasury Department determines to be excess to the normal requirements of the United States for the purposes of market development activities under section 104(a) of [that Act, \$3,444,000] the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)), \$4,000,000, to remain available until expended: *Provided*, That [the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Foreign Agricultural Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further*, That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses] this appropriation shall be available, in addition to other appropriations for such purposes, for the purchase of the foregoing currencies. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Note.—Excludes \$5,519 thousand for activities transferred in the 1963 estimates to "Salaries and expenses," Foreign Agricultural Service. The amounts obligated in 1961 and 1962 are shown in the schedule as comparative transfers.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Market development projects (total program costs).....	1,317	2,788	4,274

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Program by activities—Continued			
Change in selected resources ¹	524	1,917	-274
Total obligations.....	1,841	4,705	4,000
Financing:			
Comparative transfers to other accounts.....	11,022	3,554	-----
Unobligated balance brought forward.....	-3,509	-4,816	-----
Unobligated balance carried forward.....	4,816	-----	-----
Unobligated balance lapsing.....	5	-----	-----
New obligational authority.....	14,175	3,444	4,000
New obligational authority:			
Appropriation.....	14,621	3,444	4,000
Transferred to "Special foreign currency program, President's special international program, executive," Executive Order 10900, January 5, 1961.....	-446	-----	-----
Appropriation (adjusted).....	14,175	3,444	4,000

¹ Selected resources as of June 30, are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Unpaid undelivered orders.....	631	16	849	2,635	2,380
Advances.....	41	-304	59	190	171
Total selected resources..	672	-288	908	2,825	2,551

Market development projects.—Foreign currencies generated by the sale of surplus agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, as well as foreign currencies acquired by the United States from other sources, are used by the Foreign Agricultural Service to develop new foreign markets and expand existing markets for U.S. agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco. The type of market development projects being carried out include sales promotion campaigns, trade fairs and exhibits, nutrition demonstrations, and market analyses. In 1963 this appropriation will be limited to dollar funds to purchase only those currencies determined to be excess to the normal requirements of the United States. Dollar funds for use in other countries are included in the appropriation Salaries and expenses.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
FOREIGN AGRICULTURAL SERVICE			
11 Personnel compensation: Permanent positions.....	34	38	38
12 Personnel benefits.....	1	1	1
21 Travel and transportation of persons.....	30	150	122
22 Transportation of things.....	-----	6	2
23 Rent, communications, and utilities.....	14	19	13
24 Printing and reproduction.....	-----	6	2
25 Other services.....	1,525	4,343	3,684
Services of other agencies.....	134	134	134
26 Supplies and materials.....	3	5	2
31 Equipment.....	-----	3	2
Total, Foreign Agricultural Service.....	1,741	4,705	4,000

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
ALLOCATION TO DEPARTMENT OF COMMERCE			
23 Rent, communications, and utilities.....	13	-----	-----
25 Other services.....	73	-----	-----
26 Supplies and materials.....	3	-----	-----
31 Equipment.....	11	-----	-----
Total, Department of Commerce.....	100	-----	-----
Total obligations.....	1,841	4,705	4,000

Personnel Summary

Total number of permanent positions.....	20	22	22
Average number of all employees.....	20	22	22
Number of employees at end of year.....	19	22	22
Average salary of ungraded positions.....	\$1,757	\$1,753	\$1,753

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows:
 "Commodity Credit Corporation, administrative expenses."
 "Agency for International Development," funds appropriated to the President.
 "Special international program," United States Information Agency.

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Commodity Credit Corporation representatives for sales, barter, and stockpiling.....	52	1	1
2. Sale of personal property.....	5	6	-----
3. Miscellaneous service to other accounts.....	15	16	16
Total program costs—obligations.....	72	23	17
Financing:			
Advances and reimbursements from—			
Other accounts.....	67	17	17
Non-Federal sources (40 U.S.C. 481(c)).....	5	6	-----
Total financing.....	72	23	17

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions.....	35	15	15
12 Personnel benefits.....	5	1	1
21 Travel and transportation of persons.....	6	1	1
22 Transportation of things.....	12	-----	-----
23 Rent, communications, and utilities.....	2	-----	-----
25 Other services.....	1	-----	-----
Services of other agencies.....	6	-----	-----
31 Equipment.....	5	6	-----
Total obligations.....	72	23	17

Personnel Summary

Total number of permanent positions.....	5	1	1
Average number of all employees.....	5	2	2
Number of employees at end of year.....	2	1	1
Average GS grade.....	11.3	14.0	14.0
Average GS salary.....	\$11,357	\$13,520	\$13,520
Average salary of ungraded positions.....	\$2,815	-----	-----

COMMODITY EXCHANGE AUTHORITY

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17a), **[\$1,007,000]** \$1,022,000. (*Department of Agriculture and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Licensing and auditing of brokerage houses.....	249	269	273
2. Supervision of futures trading.....	524	520	528
3. Investigations.....	209	218	221
Total program costs ¹	982	1,007	1,022
Change in selected resources ²	-1		
Total obligations.....	981	1,007	1,022
Financing:			
Unobligated balance lapsing.....	9		
New obligational authority (appropriation).....	990	1,007	1,022

¹ Includes capital outlay as follows: June 30, 1961, \$7 thousand; 1962, \$3 thousand; 1963, \$3 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$4 thousand; 1961, \$3 thousand; 1962, \$3 thousand; 1963, \$3 thousand.

The major objectives of the Commodity Exchange Authority are to maintain fair and competitive pricing in the commodity futures markets by preventing manipulation and other abusive trading practices. Enforcement of the Commodity Exchange Act requires supervision over futures trading in 17 commodities on 16 exchanges currently designated as contract markets. Transactions on contract markets were estimated at \$11.5 million in 1961, compared with \$7.5 million in 1960. The value of trading was approximately \$52.3 billion in 1961 compared with \$26.4 billion in 1960, an increase of approximately 98 percent.

1. *Licensing and auditing of brokerage houses.*—This consists of (a) prevention of the misuse of customers' funds by the analysis of financial statements of futures commission merchants and the periodic audits of their books and records; and (b) annual registration of futures commission merchants and floor brokers.

AUDITS AND REGISTRATIONS

	1961 actual	1962 estimate	1963 estimate
Audit of customers' segregated funds.....	513	580	580
Accounts examined.....	28,753	34,200	34,200
Financial statements examined.....	475	500	500
Futures commission merchants registered.....	466	500	500
Floor brokers registered.....	755	775	775

2. *Supervision of futures trading.*—This embraces (a) examination and analysis of reports and other market data, the making of market position surveys, and publication of reports on market situations; (b) establishment, review, and enforcement of speculative limits; and (c) cooperative activities with control committees of contract markets. In 1961, position surveys covered 5,309 traders.

REPORTS TABULATED AND ANALYZED

	1961 actual	1962 estimate	1963 estimate
Daily trading volume and open contracts.....	208,541	225,000	225,000
Daily and weekly reports on large traders.....	334,439	350,000	350,000
Delivery notices.....	48,032	50,000	50,000

3. *Investigations.*—Apparent or alleged violations of the law and regulations are investigated, and trade practice surveys are made to discover violations. The Authority also prepares and presents evidence of violations in administrative hearings and judicial proceedings. Exchange rules and regulations are reviewed to insure that legal requirements are met.

INVESTIGATIONS AND PROCEEDINGS

	1961 actual	1962 estimate	1963 estimate
Compliance investigations completed.....	54	50	50
Trade practice investigations completed.....	2	3	3
Administrative proceedings instituted.....	6	7	7
Criminal prosecutions instituted.....	0	0	1

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	830	866	880
Positions other than permanent.....	1		
Other personnel compensation.....	4	1	1
Total personnel compensation.....	835	867	881
12 Personnel benefits.....	64	66	67
21 Travel and transportation of persons.....	14	12	12
22 Transportation of things.....	1	1	1
23 Rent, communications, and utilities.....	31	31	31
24 Printing and reproduction.....	13	11	11
25 Other services.....	8	7	7
Services of other agencies.....	2	2	2
26 Supplies and materials.....	6	6	6
31 Equipment.....	7	4	4
Total obligations.....	981	1,007	1,022

Personnel Summary

Total number of permanent positions.....	131	130	128
Average number of all employees.....	122	126	126
Number of employees at end of year.....	124	124	124
Average GS grade.....	7.2	7.5	7.6
Average GS salary.....	\$6,646	\$6,787	\$6,919

[COMMODITY STABILIZATION SERVICE]
AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE

ACREAGE ALLOTMENTS AND MARKETING QUOTAS

For necessary expenses to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393), **[\$44,098,000]** \$44,181,000, of which not more than \$7,208,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938". (75 Stat. 78-79, 84-85, 220, 296-297, 300-301, 469-470, 512, 778; *Department of Agriculture and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Acreage allotments and marketing quotas (total program costs).....	1 43,542	44,098	44,181
Change in selected resources ²	40		
Total obligations.....	43,582	44,098	44,181
Financing:			
Unobligated balance lapsing.....	16		
New obligational authority (appropriation).....	43,598	44,098	44,181

¹ Excludes downward adjustment of prior year costs of \$23,014.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$14 thousand; 1961, \$54 thousand; 1962, \$54 thousand; 1963, \$54 thousand.

Acreage allotment and marketing quota programs are designed to keep the production and marketing of tobacco, peanuts, wheat, cotton, and rice in line with demand in order to give each farmer a fair share of the available market and the total production needed.

Acreage allotments, when necessary, are established at National, State, and county levels (only at State level in the case of tobacco). In general, the acreage allotted to any county is apportioned by farmer-elected county committeemen. National marketing quotas must be proclaimed whenever the total supply for the designated basic commodities, except corn, reaches a level specified in the Agricultural Adjustment Act of 1938, as amended. However, quotas do not become effective unless approved by at least two-thirds of those voting in a farmer referendum.

Acreage allotments and marketing quotas are in effect for the 1962 crop of wheat and the 1961 crops of tobacco, peanuts, cotton, and rice. It is assumed that acreage allotments and marketing quotas will be in effect on the 1962 crops of all designated basic commodities except corn.

The Agricultural Act of 1961 provides for a mandatory reduction of 10% in individual farm allotments for the 1962 crop of wheat. The act also provides for payments to producers who increase their soil-conserving uses by a definite minimum amount, as determined by the Secretary. In addition to the mandatory 10% reduction, producers may divert an additional 30% of the wheat allotment to soil-conserving uses.

A national acreage allotment of 18.1 million acres has been announced for the 1962 crop of cotton, which compares with 18.4 million acres for the 1961 crop.

Work in the fiscal years 1962 and 1963 will consist primarily of the following:

Job	Tobacco	Peanuts	Wheat	Cotton	Rice
Collecting, reviewing, and compiling basic data and reconstituting farms; reviewing, revising, processing, and recording basic farm data; determining, computing, compiling, and reviewing individual farm allotments; preparing and issuing allotment notices and marketing cards (estimated number of allotment farms).....	577,300	118,053	1,840,929	960,300	16,689
Handling appeals.....	5,800	1,200	18,000	15,000	350
Performance checking: Making acreage determinations, computing and recording acreage (percentage):					
Fiscal year 1962:					
1961 crop.....	53.3	36.8	2.0	32.6	30.1
1962 crop.....	46.7	63.2	98.0	63.3	69.9
Fiscal year 1963:					
1962 crop.....	53.3	36.8	2.0	36.7	30.1
1963 crop.....	46.7	63.2	98.0	62.6	69.9
Conducting referendums, tabulating votes, and certifying results (number of counties):					
Fiscal year 1962.....	694	(1)	2,671	1,092	157
Fiscal year 1963.....	83	496	2,671	1,092	157

¹ Quotas have been approved through the 1962 marketing year.

In addition to the above, activities for which no workload data are readily available include holding meetings to discuss program provisions, schedules of work, instructions, forms, regulations, etc.; visiting farms to obtain additional data or to check production; making special reports on various phases of the programs; assisting farmers with any problems they may have; posting buyers'

reports and records; receiving, depositing, and refunding penalties and transferring penalties to the General Fund of the Treasury; preparing marketing card register showing type of card issued; closing out overplanted farm accounts and rechecking and investigating such accounts where necessary.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
24 Printing and reproduction.....	174	247	247
25 Other services: Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U.S.C. 1392).....	6,955	7,125	7,208
"Local administration, sec. 388, Agricultural Adjustment Act of 1938" (7 U.S.C. 1388).....	36,453	36,726	36,726
Total obligations.....	43,582	44,098	44,181

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), **[\$78,000,000] \$80,000,000**, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$2,350,000. (75 Stat. 40-41; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Payments to sugar producers:			
(a) Continental beet area.....	40,399	41,616	44,247
(b) Continental cane area.....	8,168	10,068	10,718
(c) Offshore cane area.....	23,453	23,966	22,685
2. Operating expenses.....	2,480	2,350	2,350
Total program costs—obligations.....	74,500	78,000	80,000
Financing:			
New obligational authority (appropriation).....	74,500	78,000	80,000

Total U.S. requirements and quotas are determined to provide consumers with adequate supplies of sugar at reasonable prices, to protect the domestic sugar industry, and to promote the export trade of the United States. The quota for each domestic area is allotted to individual sellers when necessary to achieve orderly marketing, and restrictive farm acreage allotments are established for producers when necessary to avoid surpluses.

Continuation of the sugar program is contingent upon enactment of legislation prior to the expiration of the present act of June 30, 1962. A legislative recommendation will be submitted to the Congress early in 1962. The estimate of \$80 million is related to the terms of the present law. In the event new legislation varies materially from the present act with respect to the bases for payments to producers, or if later production estimates confirm current forecasts, consideration may need to be given to a budget amendment or supplemental estimate for 1963.

1. *Payments to sugar producers.*—Payments are made (a) to domestic producers of cane and beets who meet specified conditions of employment, production and price; and (b) for abandonment of planted acreage and crop deficiencies on harvested acreage due to natural calamities.

[COMMODITY STABILIZATION SERVICE]—Con.**AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued****SUGAR ACT PROGRAM—Continued**

The increase of \$2 million as proposed for 1963 is due to increased conditional payments to sugar producers.

Estimated production by areas is shown in the following table:

THOUSANDS OF SHORT TONS, RAW VALUE

Area	1960 crop year	1961 crop year	1962 crop year
Continental beet area.....	2,474	2,525	2,800
Continental cane area.....	630	766	900
Hawaii.....	936	1,090	1,200
Puerto Rico.....	1,110	1,150	1,200
Virgin Islands.....	7	17	15
Total.....	5,157	5,548	6,115

2. *Operating expenses.*—This consists of the expenses of (a) the agricultural stabilization and conservation State and county offices in establishing farm production controls, determining compliance, and making payments to producers; and (b) the Service's departmental work in determining sugar consumption requirements, establishing quotas and allotments, making fair wage and price determinations, establishing area production controls, and formulating overall policies and procedures.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
25 Other services: Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U.S.C. 1392).....	1,589	1,591	1,591
"Local administration, sec. 388, Agricultural Adjustment Act of 1938" (7 U.S.C. 1388).....	891	759	759
41 Grants, subsidies, and contributions.....	72,020	75,650	77,650
Total obligations.....	74,500	78,000	80,000

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U.S.C. 590g–590(o), 590p(a), and 590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, **["\$238,000,000"] \$244,500,000**, to remain available until December 31 of the next succeeding fiscal year for compliance with the **[program] programs** of soil-building and soil- and water-conserving practices authorized under this head in the Department of Agriculture and **[Farm Credit Administration] Related Agencies Appropriation [Act] Acts, 1961 and 1962**, carried out during the period July 1, 1960, to December 31, **[1961] 1962**, inclusive: *Provided*, That not to exceed \$29,100,000 of the total sum provided under this head shall be available during the current fiscal year for administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,750,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information

employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amounts shall be available for administrative expenses in connection with the formulation and administration of the **[1962] 1963** program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices, under the Act of February 29, 1936, as amended (amounting to **["\$250,000,000"] \$150,000,000**, including administration, except that **[hereafter not to exceed 10 per centum of the basic allocation for any State may be used to increase the State's preceding program, and]** no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community): *Provided further*, That no change shall be made in such 1962 program which will have the effect in any county of restricting eligibility requirements or cost-sharing on practices included in either the 1958 or the 1959 programs, unless such change shall have been recommended by the county committee and approved by the State committee: *Provided further*, That not to exceed 5 per centum of the allocation for the **[1962] 1963** agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the **[1962] 1963** program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices **[and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds]**: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels. (75 Stat. 6–7, 302; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Direct program:			
1. Cost-sharing assistance to farmers.....	208,182	212,500	207,800
2. Repayment of loans from Commodity Credit Corporation.....	29,202	30,201	36,700
Adjustment of prior year costs.....	—166	—	—
Total direct program costs ¹	237,218	242,701	244,500
Change in selected resources ²	83	—	—
Total direct obligations.....	237,301	242,701	244,500
Costs and obligations from amounts advanced by Commodity Credit Corporation: Cost-sharing assistance to farmers.....	42,200	42,200	32,000
Reimbursable program: Cost-sharing assistance to farmers.....	444	444	444
Total obligations.....	279,945	285,345	276,944

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
Unobligated balance brought forward.....	-2	-4,701	
Advances and reimbursements from—			
Commodity Credit Corporation (loan).....	-42,200	-42,200	-32,000
Other accounts.....	-140	-140	-140
Non-Federal sources.....	-304	-304	-304
Unobligated balance carried forward.....	4,701		
New obligational authority (appropriation)	242,000	238,000	244,500

Note.—Reimbursements from non-Federal sources above are from proceeds of sale of aerial photographs (7 U.S.C. 1387).

¹ Includes capital outlay as follows: 1961, \$9 thousand; 1962, \$3 thousand; 1963, \$3 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Stores.....	57		73	73	73
Unpaid undelivered orders.....	410	166	311	311	311
Total selected resources...	467	166	384	384	384

The program is designed to encourage conservation by sharing with farmers and ranchers the cost of carrying out approved soil-building and soil- and water-conserving practices, including related wildlife-conserving practices, which farmers generally would not perform to the needed extent with their own resources. The rate of cost-sharing which may be given in the form of conservation materials and services or a payment after completion of the practice, averages approximately 50% of the cost.

Conservation measures for which cost-sharing is offered include those which are primarily for (1) establishment of permanent protective cover, (2) improvement and protection of established vegetative cover, (3) conservation and disposal of water, (4) establishment of temporary vegetative cover, (5) temporary protection of soil from wind and water erosion, and (6) benefits to wildlife.

Under the 1960 program, new or additional practices were established on 1,029,279 farms and ranches. The acreage on these farms consisted of 32% of the cropland and 32% of all farmland in the United States. The following practices, along with others, were installed under the 1960 program:

[In thousands]			
Dams and reservoirs.....	structures.....	52	
Standard terraces.....	acres.....	703	
Diversion and spreader terraces.....	miles.....	4	
Permanent sod waterways.....	acres.....	43	
Stripcropping.....	acres.....	455	
Leveling land to conserve irrigation water and control erosion.....	acres.....	317	
Drainage.....	acres.....	1,658	
Tree planting.....	acres.....	358	
Timber stand improvement.....	acres.....	256	
Liming materials applied for soil conserving crops.....	tons.....	16,249	
All vegetative cover.....	acres.....	11,478	
Control of competitive shrubs on range or pasture.....	acres.....	1,921	

Funds are distributed among the States on the basis of conservation needs. They are, in turn, distributed by the agricultural stabilization and conservation State committees to counties, and the agricultural stabilization and conservation county committees make commitments of conservation practice cost-sharing to eligible farmers and ranchers.

Loans from Commodity Credit Corporation are used to make advance payments to vendors for conservation materials and services furnished to farmers and ranchers

prior to the time funds are appropriated each year. Repayment is made from balances of prior appropriations or from new funds appropriated.

The status of the loan account is:

AMOUNTS REPAID OR ESTIMATED TO BE REPAID ON COMMODITY CREDIT CORPORATION LOANS

[In thousands of dollars]				
	1961 actual	1962 estimate	1963 estimate	Total
Balance of 1960 loan.....	29,200			29,200
1961 loan.....	12,000	30,200		42,200
1962 loan.....		5,500	36,700	42,200
Total.....	41,200	35,700	36,700	113,600
Interest.....	(301)	(197)	(200)	(698)

A level of \$150 million for the 1963 program is proposed, a reduction of \$100 million below the 1962 program. Emphasis under such a reduced program would be on conservation practices with enduring benefits. Payments for the 1963 program will be made from the 1964 appropriation.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
Direct obligations:			
11 Personnel compensation:			
Permanent positions.....	547	574	574
Positions other than permanent.....	7	5	5
Other personnel compensation.....	6	1	1
Total personnel compensation.....	560	580	580
12 Personnel benefits.....	43	46	46
21 Travel and transportation of persons.....	7	10	10
22 Transportation of things.....	6	8	6
23 Rent, communications, and utilities.....	26	38	50
24 Printing and reproduction.....	1	1	1
25 Other services.....	295	295	285
Advanced to—			
"Administrative expenses, Sec. 392, Agricultural Adjustment Act of 1938" (7 U.S.C. 1392).....	5,753	5,741	5,741
"Local administration, Sec. 388, Agricultural Adjustment Act of 1938" (7 U.S.C. 1388).....	23,244	23,219	23,219
26 Supplies and materials.....	147	143	143
31 Equipment.....	23	4	4
41 Grants, subsidies, and contributions.....	207,056	212,477	214,276
Total direct obligations.....	237,161	242,562	244,361
Reimbursable obligations:			
41 Grants, subsidies, and contributions.....	42,644	42,644	32,444
Total, Agricultural Stabilization and Conservation Service.....	279,805	285,206	276,805
ALLOTMENT TO FOREST SERVICE			
11 Personnel compensation:			
Permanent positions.....	107	105	105
Positions other than permanent.....		3	3
Total personnel compensation.....	107	108	108
12 Personnel benefits.....	9	9	9
21 Travel and transportation of persons.....	5	5	5
23 Rent, communications, and utilities.....	4	4	4
25 Other services.....	13	13	13
26 Supplies and materials.....	2		
Total, Forest Service.....	140	139	139
Total obligations.....	279,945	285,345	276,944

[COMMODITY STABILIZATION SERVICE]—Con.**AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE—Continued****AGRICULTURAL CONSERVATION PROGRAM—Continued****Personnel Summary**

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
Total number of permanent positions.....	105	105	105
Full-time equivalent of other positions.....	2	1	1
Average number of all employees.....	106	106	106
Number of employees at end of year.....	107	107	107
Average GS grade.....	6.6	6.7	6.7
Average GS salary.....	\$6,115	\$6,184	\$6,146
ALLOTMENT TO FOREST SERVICE			
Total number of permanent positions.....	15	15	15
Full-time equivalent of other positions.....	1	1	1
Average number of all employees.....	17	18	18
Number of employees at end of year.....	15	15	15
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143

[EMERGENCY CONSERVATION MEASURES]

For an additional amount for "Emergency conservation measures" to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, and the Supplemental Appropriation Act, 1958, including necessary administrative expenses, \$5,000,000, to remain available until expended.] (*Supplemental Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Emergency cost-sharing assistance to farmers (total program costs—obligations) (object class 41).....	1 4,703	16,738	-----
Financing:			
Unobligated balance brought forward.....	—15,330	—11,738	-----
Recovery of prior year obligations.....	—1,111	-----	-----
Unobligated balance carried forward.....	11,738	-----	-----
New obligational authority (appropriation)	-----	5,000	-----

¹ Excludes downward adjustment of prior year costs of \$1,111.

Cost-sharing assistance (up to 80% of the cost of carrying out approved practices) is offered to assist and encourage farmers to rehabilitate farmlands damaged by natural disasters.

Legislation provides that assistance will be made available only when, as a result of wind erosion, floods, hurricanes, or other natural disasters, new conservation problems are created which (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is

or will be required to return the land to productive agricultural use.

Funds for emergency cost-sharing assistance are distributed among States on the basis of needs for restoration of damaged lands.

CONSERVATION RESERVE PROGRAM

For necessary expenses to carry out a conservation reserve program as authorized by subtitles B and C of the Soil Bank Act (7 U.S.C. 1831–1837, 1802–1814, and 1816), and to carry out liquidation activities for the acreage reserve program, to remain available until expended, **[\$312,000,000] \$323,000,000**, with which may be merged the unexpended balances of funds heretofore appropriated for soil bank programs: *Provided*, That not to exceed **[\$12,500,000] \$10,804,000** shall be available for administrative expenses, of which not less than **[\$10,625,000] \$8,000,000** may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That no part of these funds shall be paid on any contract which is illegal under the law due to the division of lands for the purpose of evading limits on annual payments to participants. (75 Stat. 129; *Department of Agriculture and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Conservation reserve program (total pro- gram costs) ¹	329,839	334,211	323,000
Change in selected resources ²	—166	—60	-----
Total obligations	329,673	334,151	323,000
Financing:			
Unobligated balance brought forward.....	-----	—22,151	-----
Unobligated balance carried forward.....	22,151	-----	-----
New obligational authority	351,825	312,000	323,000
New obligational authority:			
Appropriation.....	330,000	312,000	323,000
Reappropriation.....	21,825	-----	-----

¹ Includes capital outlay as follows: 1961, \$92 thousand; 1962, \$42 thousand; 1963, \$18 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961	1962	1963
Unpaid undelivered orders.....	114	62	35	35
Advances.....	159	45	12	12
Total selected resources	273	107	47	47

This program, initiated in 1956, has as its objectives (1) the adjustment of total crop acreage more nearly in line with demand by withdrawing cropland from production, and (2) establishment and maintenance of sound conservation practices on the land withdrawn. The Secretary was authorized, through calendar year 1960, to enter into 3- to 15-year contracts with producers. In return for removing designated cropland from production and for establishing necessary conservation practices, the producer receives an annual rental payment each year of the contract period, and cost-sharing assistance for the establishment of the required practices. Total annual rental payments to a producer are limited to \$5 thousand.

Participation in the program is summarized below:

Number of contracts, 1961 program.....	301,543
Number of acres, 1961 program.....	28,389,695
Payments made in program year 1960, estimated.....	\$369,954,000
Estimated payments to be made in program year 1961.....	\$340,000,000

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE			
24 Printing and reproduction.....	29	40	40
25 Other services: Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U.S.C. 1392).....	1,742	1,691	1,691
"Local administration, sec. 388, Agricultural Adjustment Act of 1938" (7 U.S.C. 1388).....	10,261	10,625	8,463
41 Grants, subsidies, and contributions.....	317,294	321,561	312,656
Total, Agricultural Stabilization and Conservation Service.....	329,326	333,917	322,850
ALLOTMENT ACCOUNTS			
11 Personnel compensation:			
Permanent positions.....	204	133	129
Positions other than permanent.....	1		
Other personnel compensation.....	1		
Total personnel compensation.....	206	133	129
12 Personnel benefits.....	17	9	9
21 Travel and transportation of persons.....	22	6	6
23 Rent, communications, and utilities.....	1	1	1
24 Printing and reproduction.....	1	1	1
25 Other services.....	4	1	1
Services of other agencies.....	2		
26 Supplies and materials.....	51	2	3
31 Equipment.....	3	1	
41 Grants, subsidies, and contributions.....	40	80	
Total, allotment accounts.....	347	234	150
Total obligations.....	329,673	334,151	323,000

Obligations are distributed as follows:			
Agricultural Stabilization and Conservation Service.....	329,326	333,917	322,850
Forest Service.....	233	119	40
Soil Conservation Service.....	24		
Office of the General Counsel.....	90	115	110

Personnel Summary

ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	21	19	19
Average number of all employees.....	24	17	16
Number of employees at end of year.....	13	20	17
Average GS grade.....	7.8	8.3	8.3
Average GS salary.....	\$6,645	\$7,492	\$7,474

SOIL BANK PROGRAMS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Financing:			
Authorization to expend from public debt receipts:			
Unobligated balance brought forward.....	—1		
Recovery of prior years obligations.....	—3		
Unobligated balance lapsing.....	4		
New obligational authority.....			

SPECIAL AGRICULTURAL CONSERVATION [PROGRAM]
AND ADJUSTMENT PROGRAMS

For necessary administrative expenses to carry into effect a special agricultural conservation program pursuant to section 16[(c)](d) of the Soil Conservation and Domestic Allotment Act, as added by section [2] 132 of the Act of [March 22] August 8, 1961, (75 Stat. 302), and a special wheat program pursuant to section 124 of such Act, \$18,500,000. (75 Stat. 6-7, 296-303; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Administration of feed grain and wheat programs (total program costs—obligations).....		17,500	18,500
Financing:			
Unobligated balance lapsing.....		1,000	
New obligational authority (appropriation).....		18,500	18,500

The chief objectives of the special agricultural conservation and adjustment programs, authorized by the Agricultural Act of 1961, are to: (1) increase farm income, (2) prevent further buildup of surplus stocks and, if possible, to reduce such stocks, and (3) reduce program costs of price-support activities.

Participation in the feed grain program is voluntary but it is a condition of eligibility for price support. To participate in the program, a producer must divert a minimum of 20% of the farm's base acreage of corn, grain sorghums, or barley and may divert an additional 20%. The acreage diverted must be devoted to soil-conserving uses. For diverting 20% of the base acreage, payments will be made on half the normal yield, at the county support price, in cash or through the issuance of negotiable certificates for C.C.C. feed grains which may be marketed subsequently by C.C.C. on behalf of the producer. For an additional 20% diversion, payment will be the county support price on 60% of the normal yield, payable in feed grains only.

The special program for wheat calls for a mandatory reduction of 10% in all farm acreage allotments and provides for a voluntary reduction of an additional 30%. Price support will be available to producers in the commercial wheat-producing area who comply with their acreage allotments and increase their soil-conserving uses by a definite minimum amount as determined by the Secretary. For the mandatory minimum, payments, in cash or in wheat, will be made at the rate of 45% of the adjusted basic county support rate, multiplied by the number of diverted acres and by the farm productivity index. Payments on the additional diverted acreage will be made on the same basis, but at a rate of 60% of the adjusted basic county support rate.

Fifty percent of any payment to a participant may be made in advance of determining performance. Payments to participants are made from funds of the Commodity Credit Corporation. The expenses of administering the programs are financed from this appropriation and by advances from the Corporation. These advances are as follows: 1961, \$26,140 thousand, and 1962, \$28,845 thousand.

[COMMODITY STABILIZATION SERVICE]—Con.**AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE—Continued**SPECIAL AGRICULTURAL CONSERVATION **[PROGRAM]**
AND ADJUSTMENT PROGRAMS—Continued

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
25 Other services: Advanced to—			
"Administrative expenses, sec. 392, Agri- cultural Adjustment Act of 1938" (7 U.S.C. 1392).....		2,138	2,919
"Local administration, sec. 388, Agri- cultural Adjustment Act of 1938" (7 U.S.C. 1388).....		15,362	15,581
Total obligations.....		17,500	18,500

Intragovernmental funds:ADMINISTRATIVE EXPENSES, SECTION 392, AGRICULTURAL
ADJUSTMENT ACT OF 1938

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
National and State operating expenses (total program costs) ¹	24,409	29,263	26,858
Change in selected resources ²	132		
Total obligations.....	24,541	29,263	26,858
Financing:			
Advances and reimbursements from—			
"Agricultural conservation program".....	5,753	5,741	5,741
"Acreage allotments and marketing quotas" "Sugar Act program".....	6,956	7,125	7,208
"Conservation reserve program".....	1,589	1,591	1,591
"Special agricultural conservation and adjustment programs".....	1,742	1,691	1,691
"Great Plains conservation program," Soil Conservation Service.....		2,138	2,919
"Emergency credit, revolving fund," Farmers Home Administration.....	17	17	17
"Removal of surplus agricultural commodi- ties," Agricultural Marketing Service.....	1		
Other accounts.....	5	396	195
Unobligated balance lapsing.....	9,007	10,564	7,496
Unobligated balance lapsing.....	-529		
Total financing.....	24,541	29,263	26,858

¹ Includes capital outlay as follows: 1961, \$227 thousand; 1962, \$228 thousand;
1963, \$228 thousand.² Selected resources as of June 30 are as follows:

	1960	1961	1962	1963
Stores.....	7	10	10	10
Unpaid undelivered orders.....	72	201	201	201
Total selected resources.....	79	211	211	211

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required for administrative expenses of the National and State offices are advanced to this account from several appropriations related to agricultural stabilization and conservation activities.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	17,107	19,613	18,645
Positions other than permanent.....	810	1,514	1,310
Other personnel compensation.....	145	69	61
Total personnel compensation.....	18,062	21,196	20,016
12 Personnel benefits.....	1,331	1,580	1,491
21 Travel and transportation of persons.....	2,804	3,575	3,272
22 Transportation of things.....	95	94	85
23 Rent, communications, and utilities.....	992	1,227	1,124
24 Printing and reproduction.....	550	990	324
25 Other services.....	110	153	144
Services of other agencies.....	73	49	47
26 Supplies and materials.....	237	274	250
31 Equipment.....	280	125	105
44 Refunds.....	7		
Total obligations.....	24,541	29,263	26,858

Personnel Summary

Total number of permanent positions.....	2,625	2,734	2,645
Full-time equivalent of other positions.....	113	211	182
Average number of all employees.....	2,649	3,088	2,920
Number of employees at end of year.....	2,806	3,337	3,148
Average GS grade.....	6.6	6.7	6.7
Average GS salary.....	\$6,115	\$6,184	\$6,146

LOCAL ADMINISTRATION, SECTION 388, AGRICULTURAL ADJUSTMENT
ACT OF 1938

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Local operating expenses (total program costs) ¹	145,817	176,479	145,590
Change in selected resources ²	879		
Total obligations.....	146,696	176,479	145,590
Financing:			
Advances and reimbursements from—			
"Agricultural conservation program".....	23,244	23,219	23,219
"Acreage allotments and marketing quotas" "Sugar Act program".....	36,453	36,726	36,726
"Commodity Credit Corporation fund" (storage and price support programs).....	891	759	759
"Conservation reserve program".....	67,546	75,390	48,283
"Great Plains conservation program," Soil Conservation Service.....	10,261	10,625	8,463
"Removal of surplus agricultural commodi- ties," Agricultural Marketing Service.....	44	44	44
"Special agricultural conservation and ad- justment programs".....	10	4,254	2,415
Other accounts.....		15,362	15,581
Unobligated balance lapsing.....	9,151	10,100	10,100
Unobligated balance lapsing.....	-904		
Total financing.....	146,696	176,479	145,590

¹ Includes capital outlay as follows: 1961, \$25 thousand; 1962, \$25 thousand;
1963, \$25 thousand.² Selected resources as of June 30 are as follows:

	1960	1961	1962	1963
Stores.....	60	74	74	74
Unpaid undelivered orders.....	1,500	2,365	2,365	2,365
Total selected resources.....	1,560	2,439	2,439	2,439

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required by the county agricultural stabilization and conservation committees for carrying out the programs assigned to them are advanced to this account from the several appropriations available. Payments to county committees for their estimated expenses are deposited in the bank accounts of the committees. Expenses paid from this account are as follows (in thousands of dollars):

	1961 actual	1962 estimate	1963 estimate
Salaries.....	105,750	129,883	106,235
Travel.....	6,374	7,887	5,901
All other expenses.....	29,384	34,429	29,174
Total advances to committees.....	141,508	172,199	141,310
Obligations incurred on behalf of ASC county committees for aerial photography and other materials and services.....	4,188	4,280	4,280
Obligations incurred from prior year funds, net.....	1,000	-----	-----
Total obligations.....	146,696	176,479	145,590

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	952	976	976
Positions other than permanent.....	124	165	165
Other personnel compensation.....	28	21	21
Total personnel compensation.....	1,104	1,162	1,162
12 Personnel benefits.....	77	90	90
21 Travel and transportation of persons.....	105	120	120
22 Transportation of things.....	172	161	161
23 Rent, communications, and utilities.....	2,241	2,296	2,296
24 Printing and reproduction.....	148	151	151
25 Other services.....	329	321	321
Services of other agencies.....	13	6	6
26 Supplies and materials.....	3,371	3,592	3,592
31 Equipment.....	1,135	333	333
41 Grants, subsidies, and contributions.....	138,001	168,247	137,358
Total obligations.....	146,696	176,479	145,590

Personnel Summary

Total number of permanent positions.....	182	180	180
Full-time equivalent of other positions.....	39	53	53
Average number of all employees.....	220	233	233
Number of employees at end of year.....	193	204	204
Average GS grade.....	6.6	6.7	6.7
Average GS salary.....	\$6,115	\$6,184	\$6,146

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows:
 "School lunch program," Agricultural Marketing Service.
 "Great Plains conservation program," Soil Conservation Service.
 "Removal of surplus agricultural commodities," Agricultural Marketing Service.
 "Emergency Credit Revolving Fund," Farmers Home Administration.
 "Revolving fund, Defense Production Act," funds appropriated to the President.
 "Agency for International Development," funds appropriated to the President.

ADVANCES AND REIMBURSEMENTS
Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Advanced from Commodity Credit Corporation:			
(a) Supply and foreign purchase program.....	91	105	105
(b) International Wheat Agreement.....	191	218	218
(c) National Wool Act.....	242	270	270
(d) Sale of stockpile cotton.....	2	2	2

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Program by activities—Continued			
2. Miscellaneous services to other accounts.....	77	100	100
3. Adjustment of prior year costs.....	-2	-----	-----
Total program costs.....	601	695	695
Change in selected resources ¹	-11	-----	-----
Total obligations.....	590	695	695
Financing:			
Advances and reimbursements from other accounts.....	590	695	695

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$13 thousand (1961 adjustments—\$2 thousand); 1961, \$0; 1962, \$0; 1963, \$0.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	412	472	472
Positions other than permanent.....	3	3	3
Other personnel compensation.....	2	1	1
Total personnel compensation.....	417	476	476
12 Personnel benefits.....	31	35	35
21 Travel and transportation of persons.....	26	27	27
22 Transportation of things.....	1	2	2
23 Rent, communications, and utilities.....	72	102	102
24 Printing and reproduction.....	28	38	38
25 Other services.....	4	3	3
Services of other agencies.....	3	4	4
26 Supplies and materials.....	6	6	6
31 Equipment.....	2	2	2
Total obligations.....	590	695	695

Personnel Summary

Total number of permanent positions.....	79	88	88
Full-time equivalent of other positions.....	1	1	1
Average number of all employees.....	63	72	72
Number of employees at end of year.....	53	61	61
Average GS grade.....	6.6	6.7	6.7
Average GS salary.....	\$6,115	\$6,184	\$6,146

[FOREIGN ASSISTANCE] SPECIAL EXPORT PROGRAMS

A number of statutes provide for the facilities of the Commodity Credit Corporation to be used in carrying out programs for the exportation of surplus agricultural commodities thereunder and authorize appropriations to reimburse the Corporation for costs incurred in connection with such programs.

Prior to 1962, the Corporation has been reimbursed for the costs of these activities by direct appropriations subsequent to incurrence of the costs. Beginning in 1962, the Congress appropriated funds for these activities on a "pay-as-you-go" basis, appropriating funds for estimated costs for 1962. Advances will be made to the Corporation each month for estimated costs incurred. Subsequent requests will include funds for each ensuing year on the same basis as for other programs of the Department.

Although the appropriations are made in a specified amount for these programs, the Congress has recognized the fact that the appropriation is not fully controlling since authority under basic law permits the Department

[FOREIGN ASSISTANCE] SPECIAL EXPORT PROGRAMS—Continued

to enter into agreements and commit the Government to expenditures which must be financed from subsequent appropriations. If the amounts appropriated prove to be inadequate, the Commodity Credit Corporation will still finance authorized costs which may be in excess of the appropriations provided and subsequent appropriations would include such additional amounts used. On the other hand, any unused amounts from the 1962 appropriations, which remain available until expended, would be applied to 1963 expenses and would be used to reduce the subsequent appropriation requests for these programs.

Activities are currently being carried out under these programs pursuant to the following specific authorizations:

Public Law 480:

- Sale of surplus agricultural commodities for foreign currencies (title I)
- Commodities disposed of for emergency famine relief to friendly peoples (title II)
- Long-term supply contracts (title IV)
- International Wheat Agreement Act
- Bartered materials for supplemental stockpile (Agricultural Act of 1956, title II)

PUBLIC LAW 480

For expenses during fiscal year [1962] 1963, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1709, 1721-1724, 1731-1736), to remain available until expended, as follows: (1) Sale of surplus agricultural commodities for foreign currencies pursuant to title I of said Act, **[\$1,250,451,000]** \$1,293,000,000; (2) commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of said Act, **[\$140,868,000]** \$364,000,000; and (3) long-term supply contracts pursuant to title IV of said Act, **[\$13,000,000]** \$90,000,000: *Provided, That \$276,368,000 of this appropriation, representing estimated unrecovered costs incurred under Titles I and II of such Act prior to the fiscal year 1963, shall be available for the fiscal year 1962.* (75 Stat. 306-307; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Sale of surplus agricultural commodities for foreign currencies.....		1,462,819	1,080,632
2. Commodities disposed of for emergency famine relief to friendly peoples.....		204,868	300,000
3. Long-term supply contracts.....		13,000	90,000
Total program costs—obligations (object class 41).....		1,680,687	1,470,632
Financing:			
New obligatory authority:			
1962 Appropriation Act.....		1,404,319	
1963 Appropriation Act.....		276,368	1,470,632
Total new obligatory authority.....		1,680,687	1,470,632

1. *Sale of surplus agricultural commodities for foreign currencies.*—Under the Agricultural Trade Development and Assistance Act, as amended (7 U.S.C. 1701-1709), surplus agricultural commodities are sold for foreign currencies. These currencies may then be used within certain limitations by the United States Government for

agricultural market development, purchase of strategic materials, military equipment, facilities and services for the common defense, payment of U.S. obligations, military housing, and other specified purposes.

If regular appropriations are available for any unrestricted purpose for which foreign currencies are used, the agency must buy the currency for dollars which are credited to the Commodity Credit Corporation. Beginning with 1961, special appropriations have been made for uses of foreign currencies in excess of amounts needed for regular operations or where use of currencies is restricted by international agreement or understanding. As these currencies are used, the Corporation will receive reimbursement therefor from these appropriations.

The Department of Defense directly reimburses the Corporation for foreign currencies used for military family housing from quarters allowances and net rental receipts from such housing. Section 509 of Public Law 86-500, approved June 8, 1960 (74 Stat. 186), provides that at least 75% of the total cost of any family housing project or community facility thereafter constructed or acquired in any foreign country (with certain specific exceptions) by any military department shall be paid for from foreign currencies acquired by the Corporation under title I.

Through June 30, 1961, a total of 246 agreements had been signed with 39 countries for commodities representing an export market value of \$6,534.4 million including ocean transportation of \$722.8 million. The major commodities included were wheat, cotton, and fats and oils which together amounted to 72% of the total value of the agreements. Through that date commodities with an export market value of about \$4,562.7 million had been shipped. The total dollar equivalent of foreign currencies deposited in the Treasury through June 30, 1961, amounted to \$4,790.7 million.

Appropriations are authorized to reimburse the Corporation for its net costs in carrying out this program. Through December 31, 1961, a total of \$11.25 billion was so authorized.

Public Law 87-128, approved August 8, 1961, provides a limitation of \$4.5 billion for a 3-year period January 1, 1962, through December 31, 1964, and a proviso limiting to \$2.5 billion that amount that may be appropriated in any calendar year to reimburse the Commodity Credit Corporation.

The following reflects the composition of the appropriations for fiscal years 1961, 1962, and 1963. Activity through fiscal year 1961 is included under Commodity Credit Corporation.

	[In thousands of dollars]		
	1961	1962	1963
Expenses of shipments:			
Commodity Credit Corporation stocks.....	433,786	368,945	317,395
Private stocks and ocean transportation....	1,079,686	1,081,055	972,605
Total expenses of shipments.....	1,513,472	1,450,000	1,290,000
Interest expense on unrecovered balance.....	43,843	17,116	10,632
Total expenses.....	1,557,315	1,467,116	1,300,632
Recoveries from sales of currencies and rental receipts.....	-102,589	-134,000	-170,000
Subtotal.....	1,454,726	1,333,116	1,130,632
Change in currencies to be sold for dollars in future years.....	-99,023	-50,000	-50,000
Net costs.....	1,355,703	1,283,116	1,080,632
Unrecovered 1960 costs.....	177,000		
Unrecovered 1961 costs.....	-179,703	179,703	
Appropriation or estimate.....	1,353,000	1,462,819	1,080,632

The following table reflects the net costs incurred by fiscal years (in thousands of dollars):

	Program expenditures	Interest	Total
1955.....	129,165	355	129,520
1956.....	616,964	7,263	624,227
1957.....	1,361,973	34,400	1,396,373
1958.....	1,089,008	55,710	1,144,718
1959.....	1,089,071	24,183	1,113,254
1960.....	1,279,581	28,388	1,307,969
1961.....	1,513,472	43,843	1,557,315
1962 (estimate).....	1,450,000	17,116	1,467,116
1963 (estimate).....	1,290,000	10,632	1,300,632
Cumulative totals.....	9,819,234	221,890	10,041,124
Deduct sales of currencies and rental collections from Defense Department.....	713,324	-----	713,324
Net costs.....	9,105,910	221,890	9,327,800
Appropriations through June 30, 1963.....			8,774,300
Unreimbursed costs, June 30, 1963, representing foreign currencies to be sold in future years and amounts due from rental receipts...			553,500

2. *Commodities disposed of for emergency famine relief to friendly peoples.*—Under title II of the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, as amended (7 U.S.C. 1703, 1721–1724), the Commodity Credit Corporation makes its surplus stocks of agricultural commodities available to the President for famine relief and other assistance to friendly nations and friendly peoples in meeting famine or other relief requirements and to pay ocean freight charges for the shipment of donated commodities.

Public Law 86–472, enacted May 14, 1960, authorized payment of transportation to point of entry of landlocked countries and general average contributions arising out of ocean transport of commodities transferred under title II. Public Law 87–92, approved July 20, 1961, continued the authority of the President under section 202, title II, to utilize surplus agricultural commodities to assist needy peoples and to promote economic development in underdeveloped areas of the world.

Appropriations are authorized to reimburse the Corporation for its costs in carrying out the program. Through December 31, 1959, a total of \$800 million was authorized. From January 1, 1960, \$300 million per calendar year is authorized through December 31, 1961, plus unused balances of the previous authorization, making a total of \$1.4 billion.

Public Law 87–128, approved August 8, 1961, amended section 203 of title II limiting to \$300 million plus any unused preceding year's authorization, the appropriations to reimburse Commodity Credit Corporation (including Commodity Credit Corporation's investment in commodities made available) which can be made in any calendar year beginning January 1, 1961, and ending December 31, 1964, and extending to December 31, 1964, the programs of assistance which may be undertaken under this title.

The following reflects the composition of the appropriations for 1961, 1962, and 1963. Activity through fiscal year 1961 is included in Commodity Credit Corporation.

[In thousands of dollars]

	1961	1962	1963
Expenses of shipments:			
Commodity Credit Corporation stocks.....	152,048	211,367	253,242
Ocean transportation on above and also on sec. 416 donations.....	44,061	70,121	46,758
Total expenses of shipments.....	196,109	281,488	300,000
Interest expense on unrecovered balance.....	2,456	-----	-----
Total expenses.....	198,565	281,488	300,000
Unobligated balance available:			
1960.....	—19,500	-----	-----
1961.....	76,620	—76,620	-----
Appropriation or estimate.....	255,685	204,868	300,000

The following reflects the costs incurred in carrying out this program by fiscal years (in thousands of dollars):

	Program expenditures	Interest	Total
1955.....	86,623	273	86,896
1956.....	91,277	2,308	93,585
1957.....	120,430	4,461	124,891
1958.....	116,001	5,445	121,446
1959.....	95,511	2,417	97,928
1960.....	93,161	2,339	95,500
1961.....	196,109	2,456	198,565
1962 (estimate).....	281,488	-----	281,488
1963 (estimate).....	300,000	-----	300,000
Cumulative totals.....	1,380,600	19,699	1,400,299

3. *Long-term supply contracts.*—Under title IV of the Agricultural Trade Development and Assistance Act (7 U.S.C. Supp. 1, 1731–1736), the President is authorized to make agreements with friendly nations under which the United States would deliver surplus agricultural commodities over periods of up to 10 years and accept payment in dollars with interest over periods of up to 20 years.

The following reflects the composition of the appropriations for the fiscal years 1962 and 1963. During 1961, pilot programs were developed for shipments in subsequent years.

[In thousands of dollars]

	1962	1963
Expenses of shipments:		
Commodity Credit Corporation stocks.....	38,964	99,137
Private stocks and ocean transportation.....	112,536	160,863
Total expenses of shipments.....	151,500	260,000
Interest expense on unrecovered balance.....	4,000	9,000
Total expenses.....	155,500	269,000
Repayments from foreign governments including interest.....	-----	—11,000
Amounts due from foreign governments.....	—142,500	—168,000
Appropriation or estimate.....	13,000	90,000

The following table reflects the net costs incurred by fiscal years (in thousands of dollars):

	Program expenditures	Interest	Total
1962 (estimate).....	151,500	4,000	155,500
1963 (estimate).....	260,000	9,000	269,000
Cumulative totals.....	411,500	13,000	424,500
Deduct recoveries from foreign governments.....	10,000	1,000	11,000
Net costs.....	401,500	12,000	413,500
Appropriations through June 30, 1963.....			103,000
Unreimbursed costs, June 30, 1963, representing amounts due from foreign governments.....			310,500

INTERNATIONAL WHEAT AGREEMENT

For expenses during fiscal year [1962] 1963 and unrecovered prior years' costs, including interest thereon, under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641–1642), \$70,681,000 \$96,868,000, to remain available until expended: Provided, That \$15,650,000 of this appropriation, representing estimated unrecovered costs incurred prior to the fiscal year 1963, shall be available for the fiscal year 1962. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
International Wheat Agreement (total program cost—obligations) (object class 41).....	-----	86,331	81,218

[FOREIGN ASSISTANCE] SPECIAL EXPORT PROGRAMS—Continued

INTERNATIONAL WHEAT AGREEMENT—Continued

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
New obligational authority:			
1962 Appropriation Act.....		70,681	
1963 Appropriation Act.....		15,650	81,218
Total new obligational authority.....		86,331	81,218

The International Wheat Agreement Act, as amended (7 U.S.C. 1641-1642), which was renewed for a period of 3 years effective August 1, 1959, operates to provide an assured market for wheat to exporting countries at stable and equitable prices. The maximum and minimum prices in the 1959 agreement are \$1.90 and \$1.50 per bushel, respectively, for the basic grade of wheat, No. 1, Manitoba Northern, at Fort William/Port Arthur, Canada, in terms of Canadian currency at the parity for the Canadian dollar determined for the purposes of the International Monetary Fund as at March 1949. The agreement total quantity represents about 36% of world trade in wheat, yet the nine exporting member countries export inside and outside the Agreement about 90% of all wheat moving in world trade.

The Commodity Credit Corporation makes available wheat or wheat flour to carry out the provisions of the Agreement, including the payment-in-kind to the exporter for the difference between the prevailing sales price of wheat under the Agreement and the market price. A cash payment for this differential is made for flour.

Legislation is being proposed to extend the agreement beyond the expiration date of July 31, 1962.

The following reflects the composition of the appropriations for 1961, 1962, and 1963. Activity through 1961 is included in Commodity Credit Corporation.

[In thousands of dollars]

	1961	1962	1963
Expenses of shipments:			
Commodity Credit Corporation stocks.....	55,368	60,200	60,200
Private stocks and other costs.....	19,265	21,018	21,018
Total expenses of shipments.....	74,633	81,218	81,218
Interest expense on unrecovered balance.....	1,854	157	
Total expenses.....	76,487	81,375	81,218
Unrecovered 1960 costs.....	17,259		
Unrecovered 1961 costs.....	-4,956	4,956	
Appropriation or estimate.....	88,790	86,331	81,218

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

For expenses during fiscal year [1962] 1963 and unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to Public Law 540, Eighty-fourth Congress (7 U.S.C. 1856), [\$125,000,000] \$343,067,000, to remain available until expended: *Provided, That \$92,867,000 of this appropriation, representing estimated unrecovered costs incurred prior to the fiscal year 1963, shall be available for the fiscal year 1962. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)*

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Bartered materials for supplemental stockpile (total cost—obligations) (object class 41).....		217,867	250,200
Financing:			
New obligational authority:			
1962 Appropriation Act.....		125,000	
1963 Appropriation Act.....		92,867	250,200
Total new obligational authority.....		217,867	250,200

Under title II of the Agricultural Act of 1956 (7 U.S.C. 1856), the Commodity Credit Corporation transfers to the supplemental stockpile strategic and other materials acquired as a result of barter and exchange of agricultural commodities, other than those acquired for the national stockpile or for other purposes. Appropriations are authorized for the value of materials transferred at the lower of cost or market value at the time of the transfer.

The following reflects the composition of the appropriations for 1961, 1962, and 1963. Activity through 1961 is included in Commodity Credit Corporation.

[In thousands of dollars]

	1961	1962	1963
Materials transferred to supplemental stockpile.....	200,507	225,301	250,200
Unobligated balance available:			
1960.....	-44,778		
1961.....	7,434	-7,434	
Appropriation or estimate.....	163,163	217,867	250,200

COMMODITY CREDIT CORPORATION

Current authorizations:

[RESTORATION OF CAPITAL IMPAIRMENT] REIMBURSEMENT FOR NET REALIZED LOSSES

To partially [restore the capital impairment of] reimburse the Commodity Credit Corporation [determined by the appraisal of June 30, 1960, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U.S.C. 713a-1), \$1,017,610,000] for net realized losses sustained during the fiscal year ending June 30, 1961, pursuant to the Act of August 17, 1961 (75 Stat. 391), \$2,489,955,000. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

[REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR COSTS OF FOREIGN ASSISTANCE AND OTHER SPECIAL ACTIVITIES]

[To reimburse the Commodity Credit Corporation for authorized unrecovered costs through June 30, 1961 (including interest through date of recovery), as follows: (1) \$88,790,000 under the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641-1642); (2) \$255,685,000 for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of the Act of July 10, 1954, as amended (7 U.S.C. 1703, 1721-1724); (3) \$1,353,000,000 for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of the Act of July 10, 1954, as amended (7 U.S.C. 1701-1709); (4) \$13,000 for grain made available to the Secretary of the Interior to prevent crop damage by migratory waterfowl pursuant to the Act of July 3, 1956 (7 U.S.C. 442-445); (5) \$163,163,000 for strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to Public Law 540, Eighty-fourth Congress (7 U.S.C. 1856); (6) \$1,264,000 for transfers to the appropriation "Marketing research and service" pursuant to the Act of August 31, 1951 (7 U.S.C. 414a), for grading tobacco and classing cotton without charge to

producers, as authorized by law (7 U.S.C. 473a, 511d): *Provided*, That the appropriations provided in this paragraph shall be immediately available: *Provided further*, That the unexpended balances of funds heretofore provided for the various purposes under this head may remain available until expended for the purposes for which appropriated and may be merged with the funds provided in this paragraph. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR COSTS OF SPECIAL MILK PROGRAM

To reimburse the Commodity Credit Corporation for amounts advanced for the fiscal year beginning July 1, [1960] 1961, for the special milk program for children pursuant to the Act of July 1, 1958, as amended ([72 Stat. 276; 74 Stat. 84-85], \$90,000,000) 7 U.S.C. 1446; 75 Stat. 147-148, 319), \$105,000,000, to be available for the fiscal year 1962. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Permanent authorizations:

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION, NATIONAL WOOL ACT

Public enterprise funds:

Note.—Expenditures from the following fund for 1962 are subject to the first paragraph of title III of the Department of Agriculture and Related Agencies Appropriation Act, 1962. For 1963 this paragraph is shown in the Department of Agriculture chapter, p. 138, preceding Federal Crop Insurance Corporation fund.

COMMODITY CREDIT CORPORATION FUND

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK			
Program by activities:			
Operating costs, funded:			
1. Price support program:			
(a) Cost of commodities sold.....	3,765,269	2,491,649	2,398,256
(b) Cost of commodities donated.....	285,502	602,944	795,997
(c) Storage, transportation, and other costs not included above.....	84,855	674,630	677,469
Subtotal.....	4,135,626	3,769,223	3,871,722
(d) Revaluation of inventory.....	1,268,526		
(e) Decrease in provision for losses on commodities for sale.....	-1,466,177	-179,726	
Total price support pro- gram.....	3,937,975	3,589,497	3,871,722
2. Commodity export program:			
(a) Equalization payments and other costs.....	305,106	310,142	314,666
(b) Cost of commodities donated.....	36	30	30
3. Storage facilities program: Costs.....	62	72	72
4. Supply and foreign purchase pro- gram:			
(a) Cost of commodities sold.....	274	445	434
(b) Revaluation of inventory.....	21		
(c) Other.....	494	508	507
5. Special agricultural conservation program for feed grains: Land retirement payments.....	333,223	791,500	747,000
6. Wheat stabilization program: Land retirement payments.....		164,000	328,000
7. Special milk program: Payments and operating expenses.....	87,338	105,000	

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK—Continued			
Program by activities—Continued			
Operating costs, funded—Continued			
8. Undistributed expense:			
(a) Administrative expense sub- ject to limitation (exclud- ing special milk).....	41,027	44,104	44,325
(b) Reimbursable administrative expenses.....	590	696	696
(c) Purchase of administrative equipment (capital outlay and funded cost).....	429	2,540	400
(d) Nonadministrative expense.....	51,450	45,176	13,971
(e) Interest:			
(1) Treasury.....	409,575	347,000	350,000
(2) Other.....	11,576	9,500	9,300
(f) Increase or decrease (—) in provision for losses on ac- counts receivable.....	1,418	-1,563	-2,000
Total undistributed ex- pense.....	516,065	447,453	416,692
Total operating costs, funded.....	5,180,594	5,408,647	5,679,123
Capital outlay:			
1. Price support program:			
(a) Direct loans.....	201,277	324,394	268,128
(b) Guaranteed loans.....	1,594,270	2,621,400	2,125,300
Total loans, price support program.....	1,795,547	2,945,794	2,393,428
2. Storage facilities program:			
(a) Direct loans.....	18,801	28,500	28,500
(b) Purchases of equipment.....	573	500	500
Total, capital outlay.....	1,814,921	2,974,794	2,422,428
Total operating costs, funded, and capital out- lay.....	6,995,515	8,383,441	8,101,551
Change in selected resources ¹	313,096	-232,004	113,965
Total price support, supply, and related programs and special milk (obligations).....	7,308,611	8,151,437	8,215,516
SPECIAL ACTIVITIES (see schedule)			
Operating costs, funded:			
1. Commodities transferred from price support program.....	841,750	904,917	980,314
2. Other operating costs:			
(a) Interest on balance recover- able.....	52,182	23,974	22,732
(b) Other program and operating costs.....	1,206,248	1,353,386	1,267,586
Total other operating costs.....	1,258,430	1,377,360	1,290,318
Total operating costs, funded (obligations).....	2,100,180	2,282,277	2,270,632
Capital outlay:			
Loans made for agricultural conser- vation purposes (obligations).....	42,200	42,200	32,000
Total, special activities (obliga- tions).....	2,142,380	2,324,477	2,302,632
Total obligations.....	9,450,991	10,475,914	10,518,148

¹ Balances of selected resources are identified on the statement of financial condition.

COMMODITY CREDIT CORPORATION—Continued**Public enterprise funds—Continued****COMMODITY CREDIT CORPORATION FUND—Continued****Program and Financing (in thousands of dollars)—Continued**

	1961 actual	1962 estimate	1963 estimate
PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK			
Financing:			
New obligational authority (appropriations):			
Restoration of capital impairment	1,226,500	1,017,610	
Reimbursement for net realized losses			2,489,955
Reimbursement for costs of special milk program		90,000	
1962 in 1963 Appropriation Act		105,000	
Total, new obligational authority	1,226,500	1,212,610	2,489,955
Unobligated balances lapsing: Reimbursement for costs of special milk program		-2,662	
New obligational authority, net	1,226,500	1,209,948	2,489,955
Revenues and other receipts:			
1. Price support program:			
(a) Loans repaid	553,345	1,032,252	1,039,371
(b) Loan collateral forfeited	1,067,374	1,257,922	1,887,167
(c) Revenue	3,164,248	2,412,315	2,608,526
2. Storage facilities program:			
(a) Loans repaid	16,086	15,500	17,000
(b) Revenue	19		
3. Supply and foreign purchase program: Revenue	2,807	1,953	1,941
4. Special milk program: Revenue (prior year adjustment)	374		
5. Undistributed receipts:			
(a) Interest income	67,143	46,000	26,000
(b) Other	1,183	1,286	1,286
Total, revenues and other receipts	4,872,579	4,767,228	5,581,291
Total new obligational authority, revenue and other receipts, price support, supply, and related programs and special milk	6,099,079	5,977,176	8,071,246
SPECIAL ACTIVITIES (see schedule)			
New obligational authority (appropriations):			
Reimbursement to Commodity Credit Corporation for costs of special activities	1,443,634		
Reimbursement to Commodity Credit Corporation for costs of foreign assistance and other special activities		1,861,915	
Reimbursement to Commodity Credit Corporation, National Wool Act (permanent indefinite authorization)	67,190	75,278	65,000
Total appropriations	1,510,824	1,937,193	65,000
Reappropriation: Reimbursement to Commodity Credit Corporation for costs of special activities	25,412		
Unobligated balance lapsing: Reimbursement to Commodity Credit Corporation for costs of special activities		-20	
Total new obligational authority, net	1,536,216	1,937,193	65,000

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
SPECIAL ACTIVITIES (see schedule)—Continued			
New obligational authority (appropriations)—Continued			
Revenue and other receipts:			
Advances and reimbursements received from "Special export programs"		1,984,885	1,802,050
Other reimbursements received	102,589	134,035	181,040
Increase in receivables "Special export programs"	283,682	7,841	218,000
Costs recoverable from other funds	6	5	
Subtotal	386,277	2,126,766	2,201,090
Repayment of loans for agricultural conservation purposes	41,200	35,700	36,700
Total revenue and other receipts	427,477	2,162,466	2,237,790
Total, special activities	1,963,693	4,099,659	2,302,790
Total obligational authority, revenues and other receipts	8,062,772	10,076,835	10,374,036
Unobligated balance brought forward (authorization to expend from public debt receipts) ²	1,500,134	111,915	-287,164
Unobligated balance carried forward (authorization to expend from public debt receipts) ²	-111,915	287,164	431,276
Financing applied to program	9,450,991	10,475,914	10,518,148

Summary of Sources and Application of Funds (in thousands of dollars)

PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK:			
Obligations (from program and financing)	7,308,611	8,151,437	8,215,516
Increase (-) in gross unpaid obligations	-1,384,038	-850,017	-36,464
Gross expenditures	5,924,573	7,301,420	8,179,052
Revenues and other receipts (from program and financing)	4,872,579	4,767,228	5,581,291
Increase (-) or decrease in accounts receivable	-365,535	-67,649	82,233
Applicable receipts	4,507,044	4,699,579	5,663,524
Budget expenditures, price support, supply, and related programs and special milk	1,417,529	2,601,841	2,515,528
SPECIAL ACTIVITIES (see schedule)			
Obligations (from program and financing)	2,142,380	2,324,477	2,302,632
Increase (-) or decrease in gross unpaid obligations	-7,405	-1,507	882
Gross expenditures	2,134,975	2,322,970	2,303,514
Revenues and other receipts (from program and financing)	427,477	2,162,466	2,237,790
Increase (-) in accounts receivable	-281,583	-5,824	-215,106
Applicable receipts	145,894	2,156,642	2,022,684
Budget expenditures, special activities	1,989,081	166,328	280,830
Total budget expenditures	3,406,610	2,768,169	2,796,358

Note.—In addition to obligations other than liabilities the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established.

² Statutory obligations against borrowing authority include only borrowings from Treasury and obligations to purchase notes or other obligations evidencing loans held by banks. Other obligations, contingent liabilities, and commitments do not become charges against the statutory borrowing authority until they result in borrowings from Treasury or in notes or other obligations evidencing loans held by banks.

Under its corporate charter (15 U.S.C. 714-714p), and in accordance with specific statutes where applicable, the Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and fibers, for the purpose of stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balanced and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion.

Programs.—The budget is based on the following types of programs: (1) price support, (2) commodity export, (3) storage facilities, (4) supply and foreign purchase, (5) special agricultural conservation program for feed grains, (6) wheat stabilization program, (7) special milk program, and (8) special activities.

Obligations and expenditures for these programs include primarily loans, purchases, purchase agreements, carrying charges, incentive and other payments, operating and interest expenses, and advances and current obligations incident to special activities as authorized by specific legislation.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 1962 and 1963 budget estimates: (a) Employment, production, and national income will rise moderately both in 1962 and 1963 from the present level; (b) on the average, the general level of prices will be the same as or increase slightly over the present level; (c) developments in international relations will not be such as to affect Government civilian programs generally; (d) exports of agricultural commodities in the fiscal year 1962 will be at about the fiscal 1961 level with some increase in 1963; (e) yields will show a decrease for corn, grain sorghums, dry edible beans, and soybeans and a moderate increase for other commodities (1962 crop); and (f) acreage allotments and marketing quotas will be in effect for the 1962 crops of peanuts, rice, wheat, cotton, and certain kinds of tobacco. Compliance with provisions of the Agricultural Act of 1961, the provisions of the 1961 and 1962 special agricultural conservation program for feed grains and the 1962 wheat stabilization program should result in substantial acreage reductions in those commodities. The estimates for the feed grain and wheat stabilization programs assume diverted acreage based on probable signups by cooperators. However, the full impact of these programs cannot be accurately predicted until the final returns of actual participation are received for these crops.

In considering these estimates, it should be recognized that it is difficult to estimate requirements for the year ending June 30, 1963. They are dependent upon weather conditions and all other factors affecting volume of production of crops not yet planted in this country and abroad, economic conditions generally, food needs in this country and abroad, availability of dollar exchange, and other complex and unpredictable factors.

PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK

1. *Price-support program.*—Price-support operations are carried out under the Corporation's charter powers (15 U.S.C. 714) and in conformity with the Agricultural Act of 1949, as amended (7 U.S.C. 1421), and section 125 of

the Agricultural Act of 1956 (7 U.S.C. 1813), and other applicable legislation. Under the Agricultural Act of 1949, as amended, price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities; namely, tung nuts, honey, milk, butterfat, and the products of milk and butterfat, barley, oats, rye, and grain sorghums. Price support for wool and mohair is mandatory under the National Wool Act of 1954, as amended (7 U.S.C. 1781-1787), through the marketing year ending March 31, 1966. Price support for other nonbasic agricultural commodities is discretionary except that whenever the price of either cottonseed or soybeans is supported, the price of the other must be supported at such level as the Secretary determines will cause them to compete on equal terms on the market. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price-support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. Producers' commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are nonrecourse and the Corporation looks only to the pledged or mortgaged collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity he may elect within the maximum specified in the agreement. Direct purchases are made from producers and processors depending on the commodities involved. Under section 308 of the Agricultural Trade Development and Assistance Act of 1954, as amended, purchases of animal fats and edible oils and products thereof are authorized as will tend to maintain the support level for cottonseed and soybeans without requiring the acquisition of such commodities under the price-support program. The incentive payment program on wool and mohair is described under Special activities.

In all its price-support operations, the Corporation utilizes normal trade facilities to the maximum extent practicable. In its lending activities the Corporation uses local banks, cooperatives, and other financial institutions. Commercial storage facilities are used to a great extent in the storage of loan collateral and of stocks acquired by the Corporation.

Disposition of commodities acquired by the Corporation in its price-support operations is made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, as amended, and other applicable legislation, particularly the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended (7 U.S.C. 1691), title I of the Agricultural Act of 1954, as amended, title II of the Agricultural Act of 1956, as amended, the Agricultural Act of 1961, the act of August 19, 1958, in the case of cornmeal and wheat flour and Public Law 86-299 (7 U.S.C. 1427 note) along with Public Law 87-127, with respect to sale of livestock feed in emergency areas. The Agricultural Act of 1961 extends the provisions of section 202 of the Agricultural Act of 1949 with respect to furnishing dairy products to the armed services and veterans' facilities to December 31, 1964.

To the extent that price-support commodities are disposed of through the commodity export program, redemption of payment-in-kind certificates, and special activities

COMMODITY CREDIT CORPORATION—Continued**Public enterprise funds—Continued****COMMODITY CREDIT CORPORATION FUND—Continued**

such as sales for foreign currencies, the furnishing of commodities for such purposes and similar operations, these disposals are, for accounting purposes, credited to the price-support program.

DATA ON PRICE-SUPPORT PROGRAM

[In thousands of dollars]

	1961 actual	1962 estimate	1963 estimate
Loans made.....	1,795,547	2,945,794	2,393,428
Loans repaid.....	552,675	1,032,252	1,039,371
Loan collateral forfeited.....	1,067,374	1,257,922	1,887,167
Loans outstanding June 30.....	1,475,390	2,129,950	1,579,105
Acquisitions.....	3,672,503	2,480,401	3,239,292
Cost of commodities sold.....	3,776,782	2,503,666	2,410,256
Cost of commodities donated.....	285,502	602,944	795,997
Revaluation of inventory to reflect acquisition value.....	-1,268,526		
Inventory as of June 30.....	5,564,620	4,944,411	4,977,450
Investment in price support as of June 30.....	7,040,010	7,074,361	6,556,555
Net expenditures.....	306,200	874,163	841,498
Realized losses.....	2,253,165	1,369,985	1,292,931

2. *Commodity export program.*—The Corporation promotes the export of agricultural commodities and products through sales, barter, payments, and other operations. Other than in barter for stockpiling purposes, such commodities and products may be those held in private trade channels as well as those acquired by the Corporation in its price-support operations. This program is carried out under the authority contained in the Corporation's charter, particularly sections 5(d) and 5(f), and in accordance with specific statutes where applicable, such as sections 407 and 416 of the Agricultural Act of 1949, as amended, the International Wheat Agreement Act of 1949, as amended (7 U.S.C. 1641), the Agricultural Trade Development and Assistance Act of 1954, as amended, title I of the Agricultural Act of 1954, title II of the Agricultural Act of 1956, as amended, and section 9 of the act of September 6, 1958. In general, transactions involving foreign currencies are conducted pursuant to the Agricultural Trade Development and Assistance Act of 1954, as amended. However, other such transactions may be conducted under the charter authority.

To the extent that appropriations are not provided under Special export programs, obligations under the International Wheat Agreement, and titles I, II, and IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, are paid by the Corporation subject to reimbursement from appropriations authorized for such purpose. These programs are further described under Special activities and Special export programs. The International Wheat Agreement will expire on July 31, 1962. Legislation will be proposed to extend the agreement.

In addition to the exports under the International Wheat Agreement, Corporation-owned wheat is available for export under barter programs of the Corporation at competitive world prices and under the Corporation's export credit sales program. It is also made available to exporters in payment of the price differential between the prevailing world export sales price and the domestic market price which is earned on exports of free-market wheat outside the International Wheat Agreement and under this agreement. Cash payments are made on all exports of wheat flour either under the International

Wheat Agreement or outside the agreement. Wheat and flour payments outside the agreement are made on exports to countries not participating in the agreement.

In order to encourage movement of cotton, corn, barley, grain sorghums, oats, rye, and rice from free-market supplies into export channels, export payments are made in the form of these commodities from the Corporation's stocks. Cotton held in the Corporation's inventory is also sold for unrestricted use on a competitive price basis.

The Corporation conducts a cotton products export program designed to protect the competitive position of the domestic cotton industry in relation to sales of cotton products manufactured abroad from American cotton purchased at export prices. Equalization payments, based on the raw cotton content in the products exported, are made to exporters on cotton products of upland cotton grown and wholly processed in the United States.

The Corporation also purchases wheat and other products from processors or processes its own stocks of such commodities for foreign and domestic distribution. In certain cases, payments for such products or processing costs are made in payment-in-kind export certificates.

Also, the Corporation furnishes agricultural commodities and products for distribution or exhibition at international trade fairs to aid in the development of foreign markets for such commodities.

3. *Storage facilities program.*—This program is carried out under the authority contained in the Corporation's charter, particularly sections 4(h), 4(m), and 5(a) and (b). The Corporation may (a) purchase and maintain (in storage-deficient areas) granaries and equipment for care and storage of grain owned or controlled by the Corporation; (b) make loans for the construction or expansion of farm-storage facilities; (c) provide storage-use guarantees to encourage the construction of commercial storage facilities; and (d) undertake other operations necessary to provide storage adequate to carry out the Corporation's programs.

4. *Supply and foreign purchase program.*—This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (b) and (c) thereof. The Corporation procures foods, agricultural commodities, their products, and related materials to supply the requirements of Government agencies, foreign governments, and relief and rehabilitation agencies, and to meet domestic requirements. Foods, agricultural commodities and their products are procured or aid is given in their procurement to facilitate distribution or to meet anticipated requirements during periods of short supply. The Corporation may also, through purchases, loans, sales or other means, make available materials and facilities required in connection with the production and marketing of agricultural commodities.

Operations involving procurement for other Government agencies are conducted in accordance with section 4 of the act of July 16, 1943 (15 U.S.C. 713a-9), which requires that the Corporation be fully reimbursed for services performed, losses sustained, operating costs incurred, or commodities purchased or delivered to or on behalf of any other Government agency from the appropriate funds of such agency. Operations not subject to section 4 of the act may involve losses if such are necessary to the accomplishment of the objectives of the particular operation.

The main activities now carried on are procurement for other Government agencies of specialized commodities not in the Corporation's price-support inventory.

5. *Special agricultural conservation program for feed grains.*—Pursuant to Public Law 87-5, approved March 22, 1961, and Subtitle C of the Agricultural Act of 1961, Public Law 87-128, approved Aug. 8, 1961, the Secretary of Agriculture utilizes Commodity Credit Corporation funds, facilities, and stocks of feed grains in redeeming or marketing certificates issued to producers who divert acreage from the production of 1961 crops of corn and grain sorghums and 1962 crops of corn, grain sorghums, and barley under this program. The Corporation is also authorized to use its capital funds to pay administrative expenses necessary to carry out this program through June 30, 1962. (See Agricultural Stabilization and Conservation Service.)

6. *Wheat stabilization program.*—Under title I, subtitle B, of the Agricultural Act of 1961, Public Law 87-128, approved Aug. 8, 1961, the Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making payments to producers who divert acreage from the production of 1962 crop wheat under this program. Payments are made by issuance of Commodity Credit Corporation sight drafts which may be cashed or used for the acquisition of wheat from Commodity Credit Corporation stocks. The Corporation is also authorized to use its capital funds to pay administrative expenses necessary to carry out this program through June 30, 1962. (See Agricultural Stabilization and Conservation Service.)

Loan operations.—The following table reflects the loan operations of the Corporation applicable to the preceding programs (in thousands of dollars):

	1961 actual	1962 estimate	1963 estimate
Loans outstanding, gross, beginning of year:			
Commodity Credit Corporation.....	1,191,173	917,003	1,066,471
Lending agencies.....	323	64	
Certificates of interest.....	155,474	605,698	1,123,854
Total, loans outstanding, gross, beginning of year.....	1,346,970	1,522,765	2,190,325
Add loans made.....	1,814,348	2,974,294	2,421,928
Deduct—			
Loans repaid.....	568,515	1,047,522	1,056,141
Acquisition of loan collateral.....	1,067,374	1,257,922	1,887,167
Transfers to accounts receivable.....	916	230	230
Writeoffs.....	1,748	1,060	17,735
Total, loans outstanding, gross, end of year.....	1,522,765	2,190,325	1,650,980
Loans outstanding, end of year:			
Commodity Credit Corporation.....	917,003	1,066,471	605,498
Lending agencies.....	64		
Certificates of interest.....	605,698	1,123,854	1,045,482
Total, loans outstanding, gross, end of year.....	1,522,765	2,190,325	1,650,980
Deduct allowance for losses.....	326,105	460,000	350,000
Loans receivable, net (price support and storage facilities)....	1,196,660	1,730,325	1,300,980

Inventory operations.—The following table reflects the inventory operations applicable to the preceding programs (in thousands of dollars):

AGRICULTURAL COMMODITIES	1961 actual	1962 estimate	1963 estimate
On hand, start of year.....	7,170,848	5,531,293	4,915,948
Acquisitions:			
Forfeiture of loan collateral.....	1,067,374	1,257,922	1,887,167
Excess of collateral acquired over loans canceled.....	85,095	71,161	73,341
Purchases.....	1,726,432	911,362	1,004,541
Transfers and exchanges, net.....	-13,813	1,450	2,633

AGRICULTURAL COMMODITIES—Con.

	1961 actual	1962 estimate	1963 estimate
Carrying charges:			
Charges to inventory.....	6,221	23,845	21,949
Storage and handling.....	460,543	(435,594)	(432,654)
Transportation.....	157,356	(169,171)	(181,486)
Total, carrying charges to inventory.....	624,120	23,845	21,949
Total acquisitions.....	3,489,208	2,265,740	2,989,631
Dispositions:			
Donations to—			
Emergency feed program.....	3,167	1,310	1,157
Veterans Administration and Armed Forces.....	35,461	44,211	44,213
Needy persons, domestic.....	71,878	217,373	309,013
Needy persons, foreign (excluding title II, Public Law 480).....	173,897	338,798	440,366
Research, experimentation, education, etc.....	1,135	1,282	1,278
Total donations.....	285,538	602,974	796,027
Sales and transfers:			
Bartered for strategic materials.....	138,379	188,690	141,444
Special programs:			
International Wheat Agreement.....	55,368	60,200	60,200
Title I, Public Law 480.....	433,786	368,945	317,395
Title II, Public Law 480.....	152,048	211,368	253,242
Title IV, Public Law 480.....		38,964	99,137
Migratory waterfowl feed and game birds.....	41	140	140
Total special programs.....	641,243	679,617	730,114
Commodity export program, payment-in-kind deliveries.....	284,523	63,208	45,722
Marketing of feed grain certificates.....	896	782,233	746,483
Other sales.....	1,880,471	451,064	665,599
Net loss or gain (—), sales and transfers.....	630,734	113,299	-168,672
Total, sales and transfers.....	3,576,246	2,278,111	2,160,690
Total dispositions.....	3,861,784	2,881,085	2,956,717
Revaluation of inventory to reflect acquisition value.....	1,266,979		
On hand, end of year.....	5,531,293	4,915,948	4,948,862
Less allowance for losses.....	1,529,726	1,350,000	1,350,000
On hand, end of year, net.....	4,001,567	3,565,948	3,598,862
STRATEGIC AND CRITICAL MATERIALS			
On hand, start of year.....	52,641	33,818	28,818
Acquisitions:			
Delivered by barter contractors.....	174,053	221,000	250,000
Carrying charges:			
Charges to inventory.....	1,073		
Storage and handling.....	1,728	(2,200)	(2,500)
Transportation.....	6,701	(7,800)	(8,500)
Total, carrying charges to inventory.....	9,502	(10,000)	(11,000)
Total acquisitions.....	183,555	221,000	250,000
Dispositions:			
National stockpile and other agencies.....	434		
Special program: Supplemental stockpile.....	200,507	225,301	250,200
Difference between cost and transfer value.....	-131	699	-200
Total dispositions.....	200,810	226,000	250,000
Revaluation of inventory to reflect acquisition value.....	1,568		
On hand, end of year.....	33,818	28,818	28,818

COMMODITY CREDIT CORPORATION—Continued**Public enterprise funds—Continued****COMMODITY CREDIT CORPORATION FUND—Continued**

7. *Special milk program.*—Public Law 85-478 (7 U.S.C. 1446 note), as amended by Public Law 87-67, approved June 30, 1961, authorized the use of not to exceed \$95 million for 1961 and \$105 million for 1962 of Commodity Credit Corporation funds to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under and in nonprofit institutions devoted to the care and training of children. The act further provides that amounts spent shall not be considered expended for the purpose of carrying out the price-support program. A separate appropriation of \$105 million to reimburse the Corporation for 1962 costs is reflected in the 1963 estimates. The Agricultural Act of 1961 authorizes appropriations for the fiscal year beginning July 1, 1962, and for each of the four fiscal years thereafter to enable the Secretary of Agriculture to carry out this program. (See Agricultural Marketing Service.)

8. *Undistributed expenses.*—There are a number of expenses which are not allocated to a specific program. These include interest on: (a) the capital stock of the Corporation, (b) borrowings from the Treasury, and (c) other obligations evidencing loans made by lending agencies; administrative expenses; and other miscellaneous costs, including expenses of the agricultural stabilization and conservation county committees and Federal Reserve banks in connection with the Corporation's programs.

Administrative expenses are for the operating staff, including the services of employees of the Agricultural Stabilization and Conservation Service engaged in the Corporation's activities, services performed by other agencies of the Department, costs of audit, and payments to the General Services Administration for space in the District of Columbia and rent of field office space. Estimates for 1963 include a limitation of \$48 million for costs of administration including a reserve of not less than 7% for contingencies. The requested authorization excludes administrative expenses in connection with the supply and foreign purchase program, the wool and mohair program under the National Wool Act of 1954, the International Wheat Agreement, and the sale of long-staple cotton transferred from the national stockpile, since it is contemplated that full reimbursement will be received for these expenses. Such reimbursement will be obtained and used in 1963 in the same manner as in previous years.

Expenses in connection with the acquisition, operation, maintenance, improvement, or disposition of property which the Corporation owns or in which it has an interest have been treated as program rather than administrative expenses. Such expenses include inspection, classing and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors and work performed on a contract basis by agricultural stabilization and conservation county committees. Similarly, expenses of other Federal agencies whose services are utilized in the handling of Commodity Credit Corporation property are treated as program expenses. These include the fleet storage operation of the Maritime Administration conducted intermittently since 1949 and the services of the General Services Administration in connection with the strategic, critical, and other materials acquired by the Corporation.

Under the special agricultural conservation programs for feed grains and the wheat stabilization program,

capital funds of the Corporation are authorized to pay administrative expenses of these programs through June 30, 1962.

9. *Special activities.*—These activities are carried out under authority of section 5(g) of the Corporation's charter and specific statutory authorizations or directives with respect thereto which are currently in effect or which may subsequently be enacted. A summary of current activities will be found on p. 136

The Corporation receives reimbursement for costs of these activities as described under each.

Activities currently being carried out are as follows:

(See Special Export Programs for details of items (1)–(5).)

(1) *Sale of surplus agricultural commodities for foreign currencies.*—Under the Agricultural Trade Development and Assistance Act, as amended (7 U.S.C. 1701–1709), surplus agricultural commodities are sold for foreign currencies. These currencies may then be used within certain limitations by the United States Government for agricultural market development, purchase of strategic materials, military equipment facilities and services for the common defense, payment of U.S. obligations, military family housing, and other specified purposes.

(2) *Commodities disposed of for emergency famine relief to friendly peoples.*—The Commodity Credit Corporation, through December 31, 1964, is directed, under title II of Public Law 480, 83d Congress, as amended (7 U.S.C. 1703, 1721–1724), to make its stocks of agricultural commodities available for emergency assistance to friendly peoples in meeting famine or other urgent relief requirements and to pay ocean freight charges for the shipment of donated commodities.

(3) *Long-term supply contracts.*—Under title IV of the Agricultural Trade Development and Assistance Act (7 U.S.C., supp. 1, 1731–1736), the President is authorized to make agreements with friendly nations under which the United States would deliver surplus agricultural commodities over periods of up to 10 years and accept payment in dollars with interest over periods of up to 20 years.

(4) *International Wheat Agreement (7 U.S.C. 1641–1642).*—This agreement, which was renewed for a period of 3 years effective August 1, 1959, operates to provide an assured market for wheat to exporting countries and assured supplies of wheat to importing countries at stable and equitable prices.

(5) *Bartered materials for supplemental stockpile.*—The Commodity Credit Corporation is directed under title II of the Agricultural Act of 1956 (7 U.S.C. 1856) to transfer strategic and other materials acquired as a result of barter and exchange of agricultural commodities, other than those acquired for the national stockpile or for other purposes, to the supplemental stockpile.

(6) *Military housing (barter and exchange).*—During 1957 a contract was completed for the disposition of Commodity Credit Corporation-owned commodities valued at \$50 million for the construction of military housing in France with foreign currencies obtained from this transaction. Proceeds from rental and quarters allowances will be paid by the Department of Defense over a long period of years to reimburse the Corporation pursuant to the act of September 1, 1954 (5 U.S.C. 171z–1).

(7) *National Wool Act.*—Under the provisions of the National Wool Act of 1954, as amended, incentive payments are being used to encourage the annual domestic production of approximately 300 million pounds of shorn wool. Support of prices of wool and mohair is mandatory. Incentive payments are made to eligible producers on a

percentage basis, reflecting the amount required to bring the national average received by all producers up to the announced incentive level. The incentive level shall not exceed 110% of parity. In a referendum conducted in September 1959, wool and lamb producers voted to continue the deduction from their incentive payment of an amount not to exceed 1 cent per pound of wool and 5 cents per hundredweight of unshorn lambs marketed. These funds financed promotional advertising, and related market-development activities by the American Sheep Producers' Council, Inc., under an agreement with the Secretary of Agriculture.

COST OF THE NATIONAL WOOL ACT

[Dollars in thousands]

	Fiscal year 1961 1959 marketing year (actual)	Fiscal year 1962 1960 marketing year (estimate)	Fiscal year 1963 1961 marketing year (estimate)
Volume of marketings:			
Shorn wool, thousand pounds...	242,870	267,000	264,000
Unshorn lambs, thousand cwt...	11,264	10,000	10,100
Incentive payments:			
Per pound, shorn wool			
cents...	18.7	20.0	21.0
Per hundredweight, unshorn lambs.....cents...	75.0	80.0	84.0
Incentive payments:			
Shorn wool.....	\$45,417	\$53,400	\$55,440
Unshorn lambs.....	8,448	8,000	8,484
Promotional and advertising programs ¹	(3,018)	(3,170)	(3,145)
Total payments.....	53,865	61,400	63,924
Administrative expenses.....	2,994	3,300	3,300
Interest expense.....	4,029	2,701	3,100
Prior year adjustment (recov- eries).....	-1	-----	-----
Total.....	60,887	67,401	70,324

¹ Deduction from producer payments.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70% of the accumulated totals, as of the same date, of the gross receipts from import duties collected on and after January 1, 1953, on wool and wool manufactures. Actual and estimated payments compared with this limitation are as follows (in thousands of dollars):

	1961 actual	1962 estimate	1963 estimate
70% of customs receipts on wool and wool manufactures cumulative from January 1, 1953, to end of preceding calendar year (estimate).....	433,502	498,502	563,502
Cumulative incentive payments on 2d pre- ceding marketing year (fiscal years)...	264,648	326,048	389,972
Balance of limitation available for payments on succeeding mar- keting years.....	168,854	172,454	173,530

Funds of the Commodity Credit Corporation are used to carry on the wool incentive program. A permanent appropriation is provided to reimburse the Corporation, but the yearly amount is limited to 70% of all duties collected on wool and wool manufactures during the preceding calendar year.

Estimated costs and reimbursements to Commodity Credit Corporation during 1961, 1962, and 1963 are indicated in the following table (in thousands of dollars):

	1961 actual	1962 estimate	1963 estimate
Due at beginning of year.....	126,979	120,676	112,799
Costs for year:			
Program.....	56,858	64,700	67,224
Interest.....	4,029	2,701	3,100
Total.....	60,887	67,401	70,324
Total due.....	187,866	188,077	183,123
Reimbursement to Commodity Credit Cor- poration.....	67,190	75,278	65,000
Due Commodity Credit Corpora- tion at end of year.....	120,676	112,799	118,123
Less balance due Commodity Credit Cor- poration recoverable from subsequent years' customs receipts.....	45,398	47,799	53,123
Appropriation 1962, 1963, and 1964.....	75,278	65,000	65,000

(8) *Grain for migratory waterfowl feed.*—The Commodity Credit Corporation is directed to make available to the Secretary of the Interior (7 U.S.C. 442-445), such grain acquired through price-support operations and certified by the Commodity Credit Corporation to be available for such purposes or in such condition as to be undesirable for human consumption, as the Secretary of the Interior shall requisition. This appropriation item is now included under that Department.

(9) *Surplus grain for game birds.*—The Secretary of the Interior (Public Law 87-152, approved August 17, 1961, (75 Stat. 389)), is authorized to requisition Commodity Credit Corporation grain for feeding starving migratory birds. Activities are estimated at about \$5 thousand for each of the fiscal years 1962 and 1963. The estimates assume that the Department of the Interior will include about \$5 thousand in its budget for fiscal year 1963 to reimburse the Corporation for 1962 costs.

Any State, under Public Law 87-152 cited above, upon the finding of the Secretary of the Interior that resident game birds and other resident wildlife are threatened with starvation, may also requisition grain from Corporation stocks. Activities are estimated at about \$100 thousand for each of the fiscal years 1962 and 1963, based on advice from the Department of the Interior. Appropriations will be requested in subsequent budgets to cover costs incurred.

(10) *Grading and classing activities.*—The Commodity Credit Corporation is authorized to make advances to the Agricultural Marketing Service for classing and grading of agricultural commodities without charge to producers (7 U.S.C. 414a). Such advances used for classing cotton and grading tobacco not placed under price-support loan are financed by appropriations. This appropriation item is now included under the Agricultural Marketing Service.

(11) *Soil bank program.*—Pursuant to section 120 of the Agricultural Act of 1956 (7 U.S.C. 1808) the Secretary of Agriculture utilizes the facilities of the Corporation for making payments to farmers under this program. (See Agricultural Stabilization and Conservation Service.)

(12) *Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation.*—The act of July 10, 1957 (71 Stat. 290), authorizes the transfer of 50 thousand bales of domestically grown extra long-staple cotton from the national stockpile to the Corporation for sale. Proceeds less costs incurred, including administra-

COMMODITY CREDIT CORPORATION—Continued**Public enterprise funds—Continued****COMMODITY CREDIT CORPORATION FUND—Continued**

tive expenses, are covered into the Treasury as miscellaneous receipts.

(13) *Loans to Secretary of Agriculture for conservation purposes.*—Under section 391(c) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1391), the Corporation advances funds to the Secretary in amounts not to exceed \$50 million annually to purchase conservation materials and services. Repayments of the loans plus interest are made as soon as practicable in the succeeding fiscal year from funds appropriated for the agricultural conservation program. (See Agricultural Stabilization and Conservation Service.)

Financing.—The programs of the Commodity Credit Corporation are financed by capital stock, borrowings, guarantees to purchase notes or other obligations evidencing loans made by lending agencies, issuance of certificates of interest in loans held by the Corporation, appropriations to reimburse Commodity Credit Corporation for net realized losses, appropriations to reimburse the Corporation for costs of special activities, advances and reimbursements from Special export program appropriations, and receipts from operations.

Borrowing authority.—The Corporation has an authorized capital stock of \$100 million held by the United States and authority to borrow up to \$14.5 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies. In connection with loan guarantees, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by lending agencies or certificates of interest issued in connection with the financing of price-support operations. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the act of March 8, 1938 (15 U.S.C. 713a-4).

Interest on borrowings from the Treasury (and on capital stock) is paid in accordance with a policy of the Treasury that the rate shall be based upon the average interest rate on all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on certificates of interest and lending agency obligations for the period the agencies have their funds invested.

On the basis of the budgetary assumptions heretofore described, the consequent estimated program requirements currently indicate no need for an increase in borrowing authority. Since there are so many uncontrollable factors affecting the programs of the Corporation involving crops which have not even been planted, it must be recognized that estimates of the use of borrowing authority are highly tentative. Should program developments occur which would indicate a need for funds in excess of those contained in these estimates, additional new obligational authority would be requested.

POSITION WITH RESPECT TO BORROWING AUTHORITY AS OF JUNE 30

[In millions of dollars]

Item	1961 actual	1962 estimate	1963 estimate
Statutory borrowing authority-----	14,500	14,500	14,500
Deduct borrowings from Treasury-----	13,396	13,024	13,266
Obligations to purchase loans or certificates held by lending agencies (guaranteed by Commodity Credit Corporation)-----	606	1,124	1,045
Total statutory borrowing authority outstanding-----	14,002	14,148	14,311
Net statutory borrowing authority available-----	498	352	¹ 189

Note.—This table does not reflect the following charges: accounts payable, accrued liabilities, and obligations outstanding other than obligations to purchase notes and certificates held by banks. These do not become charges against the statutory borrowing authority until they result in borrowings from Treasury or loans or certificates held by banks.

¹ Does not reflect the effect of "Food and Agricultural Program for the 1960's." Borrowing authority available would be \$200 million including these programs, representing \$434 million less obligations and \$423 million less appropriations required or a net increase of \$11 million in availability of borrowing authority.

Reimbursement for net realized losses.—Pursuant to Public Law 87-155 (75 Stat. 391), annual appropriations are authorized for each fiscal year commencing with fiscal year ending June 30, 1961, to reimburse the Commodity Credit Corporation for net realized losses sustained as reflected in its accounts and shown in its report of financial condition as of the close of each fiscal year. This law repealed sections 1 and 2 of the Act of March 8, 1938, as amended (15 U.S.C. 713a-1), which provided for an appraisal by the Secretary of the Treasury of the assets and liabilities of the Corporation and authorized restoration of capital impairment or surplus payments to Treasury based on such appraisal.

An appropriation of \$1,017.6 million was received in fiscal year 1962 to partially restore capital impairment as determined by the appraisal of June 30, 1960. The realized losses reflected in the accounts of the Corporation and in its report of financial condition as of June 30, 1961, were \$3,335.5 million, consisting of realized losses on price support and related programs of \$2,067.0 million and \$1,268.5 million applicable to inventory revaluation as of June 30, 1961, explained below. The estimate for 1963 of \$2,490 million represents realized losses on fiscal year 1961 activity, and the Department proposes to request reimbursement of losses occasioned in the inventory revaluation of June 30, 1961, over a period of three years—\$423 million each in fiscal years 1963 and 1964 and the remainder in fiscal year 1965—in order to minimize the impact of this item on the total Government new obligational authority. The amortization of these losses over a three-year period does not affect the over-all net expenditures of the Government since the expenditures have already been made. The partial reimbursements, however, will result in some additional interest costs to the Corporation.

Inventory revaluation and accounting for carrying charges.—It has been the Corporation's practice for a number of years to treat as additions to the book value of commodity inventories the costs incurred for storage, handling, and transportation of such inventories. After approval

by the General Accounting Office, the Department of the Treasury, the Bureau of the Budget, and applicable congressional committees, the Corporation, in order to report inventory values on a more realistic basis, revalued its inventory as of June 30, 1961, by removing all accumulated storage, handling, and transportation costs incurred subsequent to acquisition of inventories and recording them as current operating expenses. In this connection, resale loan storage costs are similarly handled.

The net realized losses of the Corporation have previously been reimbursed as follows (in thousands of dollars):

PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK	
Realized losses 1933 to 1961, inclusive.....	15,447,916
Reimbursements by the Treasury:	
Reimbursement of realized losses:	
Appropriations (12 times).....	7,849,713
Note cancellations (6 times).....	2,697,807
	10,547,520
Less dividends paid to Treasury (4 times).....	138,209
Total reimbursement for net realized losses.....	10,409,311
Other reimbursements:	
Appropriations (2 times).....	541,916
Note cancellation (1 time).....	56,239
Total other reimbursements.....	598,155
Total.....	11,007,466
Realized deficit as of June 30, 1961, price support, supply, and related programs and special milk.....	4,440,450

SPECIAL ACTIVITIES	
Realized losses, 1948 to 1961 inclusive.....	9,876,944
Reimbursements by the Treasury:	
Appropriations (12 times).....	7,381,921
Note cancellations (4 times).....	536,518
Total reimbursements.....	7,918,439
Deficit as of June 30, 1961, special activities.....	1,958,505

Receipts from operations.—These include proceeds from sales of commodities, loan repayments, interest income, advances and reimbursements from Special export programs and other special activities and miscellaneous income, refunds, and collections.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK			
Price-support program:			
Revenue.....	3,164,248	2,412,315	2,608,526
Expense:			
Cost of commodities sold and other expense.....	4,148,887	3,782,300	3,901,457
Revaluation of inventory.....	1,268,526		
Decrease in provision for losses on commodities for sale (unrealized).....	-1,466,177	-179,726	
Increase or decrease (—) in provision for losses on loans receivable (unrealized).....	95,380	133,895	-110,000
Total expense.....	4,046,616	3,736,469	3,791,457
Net operating loss (—), price support program.....	-882,368	-1,324,154	-1,182,931

Revenue, Expense, and Retained Earnings (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
PRICE SUPPORT, SUPPLY, AND RELATED PROGRAMS AND SPECIAL MILK—Continued			
Commodity export program: Expense:			
Net operating loss (—).....	-305,142	-310,172	-314,696
Storage facilities program: ¹			
Revenue.....	19		
Expense.....	62	72	72
Net operating loss (—), storage facilities program.....	-43	-72	-72
Supply and foreign purchase program:			
Revenue.....	2,807	1,953	1,941
Expense.....	789	953	941
Net operating income, supply and foreign purchase program.....	2,018	1,000	1,000
Special agricultural conservation program for feed grains:			
Expense: Land retirement payments:			
Net operating loss (—), special agricultural conservation program for feed grains.....	-333,223	-791,500	-747,000
Wheat stabilization program: Expense:			
Land retirement payments: Net operating loss (—), wheat stabilization program.....		-164,000	-328,000
Special milk program:			
Revenue (Prior year adjustments).....	374		
Expense.....	87,338	105,000	
Net operating loss (—), special milk program.....	-86,964	-105,000	
Undistributed:			
Revenue.....	68,326	47,286	27,286
Expense:			
Interest and other expense.....	514,647	449,016	418,692
Increase or decrease (—) in provision for losses on accounts receivable (unrealized).....	1,418	-1,563	-2,000
Total expense.....	516,065	447,453	416,692
Net operating loss (—), undistributed.....	-447,739	-400,167	-389,406
Net income or loss (—) for the year:			
Realized.....	-3,422,840	-3,141,459	-3,073,105
Unrealized (net decrease in provision for losses).....	1,369,379	47,394	112,000
Net loss for the year, price support, supply, and related programs and special milk.....	-2,053,461	-3,094,065	-2,961,105
Analysis of deficit (—):			
Deficit (—), start of year.....	-5,479,883	-6,306,844	-8,190,961
Appropriations, net:			
Restoration of capital impairment.....	1,226,500	1,017,610	
Reimbursement for net realized losses.....			2,489,955
Reimbursement for costs of special milk program.....		192,338	
Deficit (—), end of year:			
Realized.....	-4,440,450	-6,371,961	-6,955,111
Unrealized.....	-1,866,394	-1,819,000	-1,707,000
Total deficit (—), end of year, price support, supply and related programs and special milk.....	-6,306,844	-8,190,961	-8,662,111

¹ Operation and maintenance costs applicable to owned structures are reflected as storage charges on the commodities stored.

COMMODITY CREDIT CORPORATION—Continued

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

Revenue, Expense, and Retained Earnings (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
SPECIAL ACTIVITIES (see schedule)			
Revenue.....	386,277	2,126,766	2,201,090
Expense.....	2,100,180	2,282,277	2,270,632
Net operating loss (—), special activities.....	—1,713,903	—155,511	—69,542
Analysis of deficit (—):			
Deficit (—), start of year.....	—1,780,818	—1,958,505	—176,823
Appropriations, net (see schedule).....	1,536,216	1,937,193	65,000
Deficit (—), end of year, special activities.....	—1,958,505	—176,823	—181,365
Total deficit (—), Commodity Credit Corporation.....	—8,265,349	—8,367,784	—8,843,476

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	28,896	44,832	39,615	40,212
Current assets: Accounts receivable: Price support, supply, and related programs and special milk:				
Accrued assets.....	4,644	3,438	4,000	3,000
Advances on pooled feed grain certificates.....		325,680	421,119	377,886
Other (net).....	166,291	207,352	179,000	141,000
Net accounts receivable, price support, supply, and related programs and special milk.....	170,935	536,470	604,119	521,886
Special activities: Accounts receivable: Due from sales and use of foreign currency. Public Law 480, title I:				
Future recoveries from sales of currencies.....	296,689	388,812	419,400	459,400
Military housing rentals.....	57,788	64,688	84,100	94,100
Total, Public Law 480, title I.....	354,477	453,500	503,500	553,500
Public Law 161, barter and exchange, military housing rentals.....	48,897	46,910	44,888	42,000
Due from Department of Interior.....		6	11	5
Other.....	118	184,659	142,500	310,500
Total, special activities.....	403,492	685,075	690,899	906,005
Total current assets (accounts receivable).....	574,427	1,221,545	1,295,018	1,427,891

Financial Condition (in thousands of dollars)—Continued

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets—Continued				
Selected assets: ¹ Price support, supply, and related programs and special milk: Commodities for sale (net):				
Agricultural commodities.....	4,175,108	4,001,567	3,565,948	3,598,862
Strategic and critical materials.....	52,478	33,818	28,818	28,818
Total commodities for sale.....	4,227,586	4,035,385	3,594,766	3,627,680
Deferred and undistributed charges.....	61,120	26,512	25,000	25,000
Total selected assets.....	4,288,706	4,061,897	3,619,766	3,652,680
Loans receivable, net: Price support and storage facilities loans.....	1,116,245	1,196,660	1,730,325	1,300,980
Special activities.....	29,200	30,200	36,700	32,000
Total loans receivable, net.....	1,145,445	1,226,860	1,767,025	1,332,980
Fixed assets, net.....	128,456	117,517	106,000	94,500
Total assets.....	6,165,930	6,672,651	6,827,424	6,548,263
Liabilities:				
Current liabilities:				
Price support, supply, and related programs and special milk:				
Loans and certificates held by lending agencies.....	155,797	605,762	1,123,854	1,045,482
Other:				
Obligations to redeem pooled feed grain certificates.....		332,352	428,119	384,886
Accounts payable.....	87,233	129,287	157,000	191,000
Accrued liabilities.....	162,547	155,218	155,000	173,000
Trust and deposit liabilities.....	68,780	79,976	75,000	100,000
Deferred and undistributed credits.....	48,903	64,799	68,311	68,329
Subtotal, other.....	367,463	761,632	883,430	917,215
Total current liabilities, price support, supply, and related programs and special milk.....	523,260	1,367,394	2,007,284	1,962,697
Special activities:				
National Wool Act payments due producers.....	55,000	60,000	63,924	63,042
Unused soil bank advances.....	44,359	12,274		
Other.....	12	2,417		
Total special activities.....	99,371	74,691	63,924	63,042
Total current liabilities.....	622,631	1,442,085	2,071,208	2,025,739

¹ The changes in these items are reflected on the program and financing schedule.

Financial Condition (in thousands of dollars)—Continued

	1960 actual	1961 actual	1962 estimate	1963 estimate
Government equity:				
Interest-bearing capital:				
Start of year:				
Capital stock.....	100,000	100,000	100,000	100,000
Borrowings from Treasury.....	12,874,000	12,704,000	13,395,915	13,024,000
Total, start of year.....	12,974,000	12,804,000	13,495,915	13,124,000
Borrowings from Treasury during year, net.....	-170,000	691,915	-371,915	242,000
End of year:				
Borrowings from Treasury.....	12,704,000	13,395,915	13,024,000	13,266,000
Capital stock.....	100,000	100,000	100,000	100,000
Total, end of year.....	12,804,000	13,495,915	13,124,000	13,366,000
Deficit (-):				
Price support, supply, and related programs and special milk:				
Net realized deficit (-).....	-2,244,110	-4,440,450	-6,371,961	-6,955,111
Net unrealized deficit (-).....	-3,235,773	-1,866,394	-1,819,000	-1,707,000
Total deficit (-), price support, supply, and related programs and special milk.....	-5,479,883	-6,306,844	-8,190,961	-8,662,111
Total deficit (-), special activities (realized).....	-1,780,818	-1,958,505	-176,823	-181,365
Total deficit (-).....	-7,260,701	-8,265,349	-8,367,784	-8,843,476
Total Government equity.....	5,543,299	5,230,566	4,756,216	4,522,524

Analysis of Government Equity and Undrawn Authorizations (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Obligations other than liabilities: ¹				
Price support, supply, and related programs and special milk:				
Commodities under contract to purchase.....	170,900	205,142	297,150	369,352
Purchase agreements outstanding.....	51,701	75,874	120,000	90,000
Unrecorded claims.....	7,072	6,879	6,800	6,800
Approved declarations of sales for export.....	44,908	86,669	71,699	76,048
Farm storage facility and equipment loan commitments.....	1,977	6,898	10,440	10,440

Analysis of Government Equity and Undrawn Authorizations (in thousands of dollars)—Continued

	1960 actual	1961 actual	1962 estimate	1963 estimate
Obligations other than liabilities: ¹—Con.				
Price support, supply, and related programs and special milk—Continued				
Feed grain program commitments.....		435,000	356,500	391,000
Wheat stabilization program commitments.....			164,000	164,000
Total obligations other than liabilities, price support, supply, and related programs and special milk.....	276,558	816,462	1,026,589	1,107,640
Special activities:				
Letters of commitment—title I.....	148,541	217,400	209,000	186,000
Letters of commitment—title IV.....			22,000	37,000
Approved declarations of sales for export.....	7,957	7,698	8,000	8,000
Total obligations other than liabilities, special activities.....	156,498	225,098	239,000	231,000
Less commitments which are recoverable.....	-156,498	-225,098	-239,000	-231,000
Net obligations other than liabilities, special activities.....				
Total obligations other than liabilities.....	276,558	816,462	1,026,589	1,107,640
Unobligated balance ²	1,500,134	111,915	-287,164	-431,276
Invested capital.....	5,562,607	5,406,274	5,492,791	5,080,160
Subtotal.....	7,339,299	6,334,651	6,232,216	5,756,524
Less undrawn authorizations.....	-1,796,000	-1,104,085	-1,476,000	-1,234,000
Total Government equity.....	5,543,299	5,230,566	4,756,216	4,522,524

Note.—In addition to obligations other than liabilities the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established and the outstanding guarantee and occupancy agreements for storage space.

¹ The changes in these items are reflected on the program and financing schedule.

² Statutory obligations against borrowing authority include only borrowings from Treasury and obligations to purchase notes or other obligations evidencing loans held by banks. Other obligations, contingent liabilities, and commitments do not become charges against the statutory borrowing authority until they result in borrowings from Treasury or in notes or other obligations evidencing loans held by banks.

COMMODITY CREDIT CORPORATION—Continued

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

SCHEDULE OF SPECIAL ACTIVITIES

[In thousands of dollars]

	Deficit, accounts receivable and unpaid obligations (-) as of July 1	Com- modity transfers from price- support program	Other costs and capital outlay	Total program costs	Increase (-) or de- crease in unpaid obliga- tions	Gross expendi- tures	Receipts			Net operating loss	Special appropri- ations to reimburse Commodity Credit Corporation (net)	Balance as of June 30	
							Revenue and other receipts	Increase (-) or de- crease in accounts receivable	Net budget expendi- tures			Recover- able from special appropri- ations, deficit	Accounts receivable and unpaid obliga- tions(-) ¹
RECOVERABLE COSTS													
SPECIAL EXPORT PROGRAMS													
Public Law 480:													
Title I:													
Sale of surplus agricultural com- modities for foreign currencies:													
1961.....	1,058,000	433,786	1,123,529	1,557,315	-----	1,557,315	381,315	-179,703	1,355,703	1,176,000	881,000	1,353,000	179,703
1962.....	1,532,703	368,945	1,098,171	1,467,116	-----	1,467,116	1,467,116	179,703	-179,703	-----	1,353,000	-----	-----
1963.....	-----	317,395	983,237	1,300,632	-----	1,300,632	1,300,632	-----	-----	-----	-----	-----	-----
Future recoveries:													
Sales of currencies:													
1961.....	296,689	-----	-----	-----	-----	-----	-----	-92,123	92,123	-----	-----	-----	388,812
1962.....	388,812	-----	-----	-----	-----	-----	-----	-30,588	30,588	-----	-----	-----	419,400
1963.....	419,400	-----	-----	-----	-----	-----	-----	-40,000	40,000	-----	-----	-----	459,400
Military housing:													
1961.....	57,788	-----	-----	-----	-----	-----	-----	-6,900	6,900	-----	-----	-----	64,688
1962.....	64,688	-----	-----	-----	-----	-----	-----	-19,412	19,412	-----	-----	-----	84,100
1963.....	84,100	-----	-----	-----	-----	-----	-----	-10,000	10,000	-----	-----	-----	94,100
Subtotal future recoveries:													
1961.....	354,477	-----	-----	-----	-----	-----	-----	-99,023	99,023	-----	-----	-----	453,500
1962.....	453,500	-----	-----	-----	-----	-----	-----	-50,000	50,000	-----	-----	-----	503,500
1963.....	503,500	-----	-----	-----	-----	-----	-----	-50,000	50,000	-----	-----	-----	553,500
Total, Public Law 480, title I:													
1961.....	1,412,477	433,786	1,123,529	1,557,315	-----	1,557,315	381,315	-278,726	1,454,726	1,176,000	881,000	1,353,000	633,203
1962.....	1,986,203	368,945	1,098,171	1,467,116	-----	1,467,116	1,467,116	129,703	-129,703	-----	1,353,000	-----	503,500
1963.....	503,500	317,395	983,237	1,300,632	-----	1,300,632	1,300,632	-50,000	50,000	-----	-----	-----	553,500
Title II:													
Commodities disposed of for emer- gency famine relief to friendly peoples:													
1961.....	95,500	152,048	46,517	198,565	-----	198,565	-----	-----	198,565	198,565	115,000	179,065	-----
1962.....	179,065	211,367	70,121	281,488	-----	281,488	204,868	-----	76,620	76,620	255,685	-----	-----
1963.....	-----	253,242	46,758	300,000	-----	300,000	300,000	-----	-----	-----	-----	-----	-----
Title IV:													
Long-term supply contracts:													
1962.....	-----	38,964	116,536	155,500	-----	155,500	155,500	-142,500	142,500	-----	-----	-----	142,500
1963.....	142,500	99,137	169,863	269,000	-----	269,000	269,000	-168,000	168,000	-----	-----	-----	310,500
Total, Public Law 480:													
1961.....	1,507,977	585,834	1,170,046	1,755,880	-----	1,755,880	381,315	-278,726	1,653,291	1,374,565	996,000	1,532,065	633,203
1962.....	2,165,268	619,276	1,284,828	1,904,104	-----	1,904,104	1,827,484	-12,797	89,417	76,620	1,608,685	-----	646,000
1963.....	646,000	669,774	1,199,858	1,869,632	-----	1,869,632	1,869,632	-218,000	218,000	-----	-----	-----	864,000
International Wheat Agreement:													
1961.....	66,302	55,368	21,119	76,487	-----	76,487	4,956	-4,956	76,487	71,531	49,043	88,790	4,956
1962.....	93,746	60,200	21,175	81,375	-----	81,375	81,375	4,956	-4,956	-----	88,790	-----	-----
1963.....	-----	60,200	21,018	81,218	-----	81,218	81,218	-----	-----	-----	-----	-----	-----
Bartered materials for supplemental stockpile:													
1961.....	378,172	200,507	-----	200,507	-----	200,507	-----	-----	200,507	200,507	422,950	155,729	-----
1962.....	155,729	225,301	-----	225,301	-----	225,301	217,867	-----	7,434	7,434	163,163	-----	-----
1963.....	-----	250,200	-----	250,200	-----	250,200	250,200	-----	-----	-----	-----	-----	-----
Subtotal, special export programs:													
1961.....	1,952,451	841,709	1,191,165	2,032,874	-----	2,032,874	386,271	-283,682	1,930,285	1,646,603	1,467,993	1,776,584	638,159
1962.....	2,414,743	904,777	1,306,003	2,210,780	-----	2,210,780	2,126,726	-7,841	91,895	84,054	1,860,638	-----	646,000
1963.....	646,000	980,174	1,220,876	2,201,050	-----	2,201,050	2,201,050	-218,000	218,000	-----	-----	-----	864,000
OTHER PROGRAMS													
Military housing (barter and exchange):													
1961.....	48,897	-----	-----	-----	-----	-----	-----	1,987	-1,987	-----	-----	-----	46,910
1962.....	46,910	-----	-----	-----	-----	-----	-----	2,022	-2,022	-----	-----	-----	44,888
1963.....	44,888	-----	-----	-----	-----	-----	-----	2,888	-2,888	-----	-----	-----	42,000
Reimbursement for costs of National Wool Act:													
1961.....	126,979	-----	65,887	65,887	-5,000	60,887	-----	-----	60,887	65,887	67,190	180,676	-60,000
1962.....	120,676	-----	71,325	71,325	-3,924	67,401	-----	-----	67,401	71,325	75,278	176,723	-63,924
1963.....	112,799	-----	69,442	69,442	882	70,324	-----	-----	70,324	69,442	² 65,000	181,165	-63,042
Grain for migratory waterfowl (Interior):													
1961.....	13	41	-----	41	-----	41	6	-6	41	35	35	13	6
1962.....	19	35	-----	35	-----	35	35	-----	-----	-----	13	-----	6
1963.....	6	35	-----	35	-----	35	35	6	-6	-----	-----	-----	-----
Surplus grain for game birds (Interior):													
1962.....	-----	105	-----	105	-----	105	5	-5	105	100	-----	100	5
1963.....	105	105	-----	105	-----	105	5	-----	100	100	-----	200	5
Grading and classing activities:													
1961.....	852	-----	1,378	1,378	-----	1,378	-----	-----	1,378	1,378	998	1,232	-----
1962.....	1,232	-----	32	32	-----	32	-----	-----	32	32	1,264	-----	-----
Soil bank program:													
Acreage reserve certificates payable:													
1961.....	-12	-----	-----	-----	12	12	-----	-----	12	-----	-----	-----	(³)
1962.....	(³)	-----	-----	-----	(³)	(³)	-----	-----	(³)	-----	-----	-----	-----

See footnotes at end of table, p. 137.

SCHEDULE OF SPECIAL ACTIVITIES—Continued

(In thousands of dollars)

	Deficit, accounts receivable and unpaid obligations (-) as of July 1	Program expenditures					Receipts				Special appropriations to reimburse Commodity Credit Corporation (net)	Balance as of June 30	
		Commodity transfers from price- support program	Other costs and capital outlay	Total program costs	Increase (-) or de- crease in unpaid obligations	Gross expendi- tures	Revenue and other receipts	Increase (-) or de- crease in accounts receivable	Net budget expendi- tures	Net operat- ing loss		Recov- erable from special appropriations, deficit	Accounts receivable and unpaid obligations (-) ¹
RECOVERABLE COSTS—Continued													
OTHER PROGRAMS—continued													
Acreage reserve advances: ⁴													
1961	-4,886				(4,524)	(4,524)							-362
1962	-362				(362)	(362)							
Conservation reserve advances: ⁴													
1961	-39,473				(27,561)	(27,561)							-11,912
1962	-11,912				(11,912)	(11,912)							
Transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation:													
1961	118				-2,417	-2,417		118	-2,535				-2,417
1962	-2,417				2,417	2,417			2,417				
Subtotal, other programs:													
1961	132,488	41	67,265	67,306	-7,405	59,901	6	2,099	57,796	67,300	68,223	181,921	-27,775
1962	154,146	140	71,357	71,497	-1,507	69,990	40	2,017	67,933	71,457	76,555	176,823	-19,025
1963	157,798	140	69,442	69,582	882	70,464	40	2,894	67,530	69,542	65,000	181,365	-21,037
Total recoverable costs:													
1961	2,084,939	841,750	1,258,430	2,100,180	-7,405	2,092,775	386,277	-281,583	1,988,081	1,713,903	⁴ 1,536,216	1,958,505	610,384
1962	2,568,889	904,917	1,377,360	2,282,277	-1,507	2,280,770	2,126,766	-5,824	159,828	155,511	1,937,193	176,823	626,975
1963	803,798	980,314	1,290,318	2,270,632	882	2,271,514	2,201,090	-215,106	285,530	69,542	65,000	181,365	842,963
CAPITAL OUTLAY													
Loans for agricultural conservation:													
1961	29,200		42,200	42,200		42,200	41,200		1,000				30,200
1962	30,200		42,200	42,200		42,200	35,700		6,500				36,700
1963	36,700		32,000	32,000		32,000	36,700		-4,700				32,000
Net budget expenditures:													
1961									1,989,081				
1962									166,328				
1963									280,830				

¹ Consists of the following items: Public Law 480, title I, Sale of surplus agricultural commodities for foreign currencies—amounts to be recovered from (1) "Special export programs" for unrecovered 1961 costs, (2) future sales of foreign currencies to other Government agencies, and (3) Department of Defense for foreign currencies used for military housing; Public Law 480, title IV, Long-term supply contracts—amounts to be repaid by foreign countries for value of agricultural commodities shipped; International Wheat Agreement—amount to be recovered from "Special export programs" for unrecovered 1961 costs; Military housing (Public Law 84-161, barter and exchange)—amount to be recovered from Department of Defense for value of agricultural commodities exchanged for construction of military housing abroad; reimbursement for costs of National Wool Act—amounts of liability for accrued payments due producers which will be paid in the succeeding fiscal year; grain for migratory waterfowl and surplus grain for game birds—amounts to be recovered from Department of the Interior for investment in Commodity Credit Corporation grain furnished under these programs; Soil Bank—unused advance received from funds appropriated for soil bank programs and small residual balance of unpaid acreage reserve certificates; transfer of long-staple cotton from national stockpile for sale by Commodity Credit Corporation—amount available for payment of additional costs or for deposit in the Treasury as miscellaneous receipts; loans for agricultural conservation purposes—amount due from Secretary of Agriculture for advance purchase of conservation materials. In addition to the unpaid obligations, the following commitments relating to these programs were outstanding at the end of each year as indicated (in thousands):

	June 30, 1960	June 30, 1961	June 30, 1962	June 30, 1963
Letters of commitment:				
Public Law 480, title I	\$148,541	\$217,400	\$209,000	\$186,000
Public Law 480, title IV			22,000	37,000
International Wheat Agreement, approved declarations of sales for export	7,957	7,698	8,000	8,000
Total commitments	156,498	225,098	239,000	231,000
Commitments which are recoverable	-156,498	-225,098	-239,000	-231,000
Net				

² The estimated appropriation of \$65,000,000 for 1963 to reimburse the Corporation represents an amount equal to 70% of the preceding calendar year's customs receipts on wool and wool products to which reimbursement is limited in each fiscal year. The amounts due will be reimbursed from subsequent years' customs receipts.

³ Less than \$500.

⁴ Amounts bracketed are contained in "Soil bank program" under Agricultural Stabilization and Conservation Service.

⁵ Total appropriations available amounted to \$1,536,246,137, including reappropriations of \$25,422,228, of which \$20,308 was returned to the Treasury in 1961 and \$9,666 was returned in 1960.

Proposed for separate transmittal:

COMMODITY CREDIT CORPORATION

Under proposed legislation, 1963.—Legislation is being proposed to implement a food and agriculture program for the 1960's for feed grains, wheat, and dairy products. If these proposals are enacted they would result in reductions of \$423 million in new obligational authority and \$434 million in net budgetary expenditures.

LIMITATION ON ADMINISTRATIVE EXPENSES

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed [\$47,916,000] \$48,000,000 shall be available for administrative expenses of the Corporation: *Provided further*, That \$1,000,000 of

this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof. (7 U.S.C. 442-445, 624, 1282, 1301, 1385, 1391c, 1421-1432, 1441-1449, 1691-1697, 1701-1709, 1721-1724, 1731-1736, 1741-1747, 1808, 1813, 1851-1854, 1856-1857, 1859-1860; 15 U.S.C. 712a, 713a-10, 714-714p; 22 U.S.C. 1922; 31 U.S.C. 841, 846-852, 866-868c, 869; 50 U.S.C. App. 1917; 71 Stat. 290; 75 Stat. 6-7, 147-148, 293-294, 294-319, 389, 391, 411, 440; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

COMMODITY CREDIT CORPORATION—Continued**Public enterprise funds—Continued****ADMINISTRATIVE EXPENSES****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Price-support program.....	35,581	38,224	38,245
2. Storage facilities program.....	3,451	3,730	3,730
3. Commodity export program.....	1,993	2,150	2,350
4. Special milk program.....	653	800	
Total program costs.....	41,678	44,904	44,325
Change in selected resources ¹	2		
Total obligations.....	41,680	44,904	44,325
Financing:			
Unobligated balance lapsing.....	4,046		
Reserve for contingencies.....		3,012	3,675
Limitation.....	45,726	47,916	48,000

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$215 thousand; 1961, \$217 thousand; 1962, \$217 thousand; 1963, \$217 thousand.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
COMMODITY CREDIT CORPORATION			
11 Personnel compensation:			
Permanent positions.....	23,740	26,307	26,046
Positions other than permanent.....	2,141	1,422	1,422
Other personnel compensation.....	566	448	448
Total, personnel compensation.....	26,447	28,177	27,916
12 Personnel benefits.....	1,920	2,095	2,085
21 Travel and transportation of persons.....	995	1,246	1,250
22 Transportation of things.....	152	168	131
23 Rent, communications, and utilities.....	5,286	5,003	5,314
24 Printing and reproduction.....	768	999	1,000
25 Other services.....	235	364	402
Services of other agencies.....	4,480	4,503	4,523
26 Supplies and materials.....	631	514	469
Total, Commodity Credit Corporation.....	40,914	43,069	43,090
ALLOCATION ACCOUNTS			
11 Personnel compensation:			
Permanent positions.....	618	1,423	936
Positions other than permanent.....		3	3
Other personnel compensation.....	6		
Total personnel compensation.....	624	1,426	939
12 Personnel benefits.....	46	102	67
21 Travel and transportation of persons.....	46	104	90
22 Transportation of things.....	2	4	
23 Rent, communications, and utilities.....	10	57	37
24 Printing and reproduction.....	17	21	8
25 Other services.....	16	93	75
Services of other agencies.....		2	6
26 Supplies and materials.....	5	26	13
Total allocation accounts.....	766	1,835	1,235
Total obligations.....	41,680	44,904	44,325
Obligations are distributed as follows:			
Commodity Credit Corporation.....	40,914	43,069	43,090
Agricultural Marketing Service.....	652	800	
Foreign Agricultural Service.....	114	1,035	1,235

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
COMMODITY CREDIT CORPORATION			
Total number of permanent positions.....	4,748	4,928	4,850
Full-time equivalent of other positions.....	584	366	366
Average number of all employees.....	4,647	4,812	4,761
Number of employees at end of year.....	4,323	4,668	4,550
Average GS grade.....	6.6	6.7	6.7
Average GS salary.....	\$6,115	\$6,184	\$6,146
ALLOCATION ACCOUNTS			
Total number of permanent positions.....	180	205	120
Full-time equivalent of other positions.....		1	1
Average number of all employees.....	80	192	117
Number of employees at end of year.....	168	192	119
Average GS grade.....	8.3	8.5	9.1
Average GS salary.....	\$7,218	\$7,319	\$8,097

TITLE III—CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year [1962] 1963 for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION**Current authorizations:****OPERATING AND ADMINISTRATIVE EXPENSES**

For operating and administrative expenses, [\$6,561,000] \$7,500,000. (7 U.S.C. 1501-1519; 31 U.S.C. 841, 846-852, 866-868c, 869; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Underwriting and actuarial analysis.....	904	1,143	1,237
2. Contract sales and servicing.....	5,020	4,640	5,405
3. Crop inspections and loss adjustments.....	664	766	858
Total program costs ¹	6,588	6,549	7,500
Change in selected resources ²	-27		
Total obligations.....	6,561	6,549	7,500
Financing:			
New obligational authority.....	6,561	6,549	7,500
New obligational authority:			
Appropriation.....	6,561	6,561	7,500
Transferred to "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353).....		-12	
Appropriation (adjusted).....	6,561	6,549	7,500

¹ Includes capital outlay as follows: June 30, 1961, \$49 thousand; 1962, \$58 thousand; 1963, \$63 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$45 thousand; 1961, \$18 thousand; 1962, \$18 thousand; 1963, \$18 thousand.

This appropriation finances a portion of the administrative and operating expenses of the Corporation. The budget for insurance operations financed from capital funds appears below. An increase is proposed for 1963 to finance administrative costs related to the planned expansion in the insurance program.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	2,959	3,480	3,924
Positions other than permanent.....	925	737	694
Other personnel compensation.....	12	3	3
Total personnel compensation.....	3,896	4,220	4,621
12 Personnel benefits.....	253	289	322
21 Travel and transportation of persons.....	1,010	1,220	1,366
22 Transportation of things.....	12	20	24
23 Rent, communications, and utilities.....	312	373	497
24 Printing and reproduction.....	68	150	160
25 Other services.....	22	45	255
Services of other agencies.....	73	100	115
Agents' commissions.....	814		
26 Supplies and materials.....	51	72	75
31 Equipment.....	50	60	65
Total obligations.....	6,561	6,549	7,500

Personnel Summary

Total number of permanent positions.....	522	643	655
Full-time equivalent of other positions.....	210	168	159
Average number of all employees.....	696	740	800
Number of employees at end of year.....	735	768	850
Average GS grade.....	6.5	6.6	6.7
Average GS salary.....	\$6,039	\$5,970	\$6,087

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$2,830,000 of administrative and operating expenses may be paid from premium income. (7 U.S.C. 1516(a); Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Operating costs, funded:			
Indemnities, by crop:			
Barley.....	357	957	834
Beans.....	80	86	162
Citrus.....	608	127	611
Combined crop.....	234	1,076	842
Corn.....	5,207	710	3,969
Cotton.....	615	1,726	1,377
Flax.....	211	587	454
Grain sorghum.....	1	1	58
Oats.....	53	125	200
Peaches.....	40	15	50
Peanuts.....			13
Raisins.....			256
Rice.....	8	2	31
Soybeans.....	377	376	1,058
Tobacco.....	715	723	2,257
Wheat.....	1,841	9,179	9,428
Total indemnities.....	10,347	15,690	21,600
Inspection and adjustment costs.....	618	900	1,000
Administrative expenses.....	694	2,830	2,830
Other expenses and adjustments, net.....	-75	145	192
Total program costs—obligations.....	11,584	19,565	25,622

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
Revenues and other receipts:			
Insurance premiums, by crop:			
Barley.....	514	620	927
Beans.....	136	163	180
Citrus.....	289	294	679
Combined crop.....	867	851	935
Corn.....	3,576	2,745	4,410
Cotton.....	1,191	1,297	1,530
Flax.....	452	442	504
Grain sorghum.....	3	2	64
Oats.....	83	96	222
Peaches.....	52	24	55
Peanuts.....			15
Raisins.....		291	285
Rice.....	15	11	34
Soybeans.....	671	802	1,176
Tobacco.....	2,027	2,123	2,508
Wheat.....	7,928	8,420	10,476
Total premiums.....	17,804	18,181	24,000
Interest and other receipts.....	69	100	100
Total revenue and other receipts.....	17,873	18,281	24,100
Unobligated balance brought forward.....	41,727	48,016	46,732
Unobligated balance carried forward.....	-48,016	-46,732	-45,210
Financing applied to program.....	11,584	19,565	25,622

Summary of Sources and Application of Funds (in thousands of dollars)

Obligations (from program and financing).....	11,584	19,565	25,622
Increase (—) or decrease in gross unpaid obligations.....	-290	-258	980
Gross expenditures.....	11,294	19,307	26,602
Revenues and other receipts (from program and financing).....	17,873	18,281	24,100
Decrease in accounts receivable, net.....	223	814	1,592
Applicable receipts.....	18,095	19,096	25,692
Budget expenditures.....	-6,801	211	910

Purpose and financial organization.—The Federal Crop Insurance Corporation, a wholly owned Government Corporation, was created on February 16, 1938 (7 U.S.C. 1501-1519), to carry out the provisions of the Federal Crop Insurance Act. The purpose of this act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for the research and experience helpful in devising and establishing such insurance. The Corporation provides all-risk insurance protection to farmers against loss from unavoidable causes. Since 1948, the crop insurance program has been conducted on a limited basis in selected counties and on selected crops to obtain adequate actuarial data for the expansion of the program to a national basis. Beginning with the 1962 crop year the policy of the Corporation is to expand the program to additional counties and to insure additional commodities at a more rapid rate. The past 13 years experience provides a sound basis for a more rapid expansion than has been made during past years.

Capital stock of \$100 million is authorized to be subscribed by the United States. As of June 30, 1961, the Secretary of the Treasury held receipts for \$40 million of the authorized stock, leaving \$60 million unissued.

Funds from the issuance of capital stock provide working capital for the Corporation. Receipts which

FEDERAL CROP INSURANCE CORPORATION— Continued

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

are for deposit to this fund come mainly from premiums for insurance protection afforded farmers on their investment in the production of insured crops. The principal payments from this fund are for indemnities to insured farmers who suffer crop losses arising from causes against which crop insurance provides protection, the direct cost of adjusting losses, and part of the operating and administrative expenses. The annual appropriation for the major portion of the operating and administrative expenses of the Corporation is presented earlier in the budget.

Budget program.—The Corporation plans to accelerate the expansion of the program to additional crops and counties. For the 1962 crop year (fiscal year 1963) the crop insurance program will be extended to 100 new counties. The following table indicates the scope of the insurance program planned for 1961, 1962, and 1963. Amounts in the 1961 column are actual and pertain to the 1960 crop year. The 1962 column pertains to the 1961 crop year and reflects the current favorable growing conditions for the 1961 insured crops. Heavy losses have occurred in a few States, however, these will be offset by premiums from States where crop losses will be light. North Dakota, with a loss ratio of 2.58, has had the worst year since 1954, because of drought and grasshoppers. Indemnities shown in the 1963 column are estimated at 90% of the premium.

	1961 fiscal year (1960 crop year) actual	1962 fiscal year (1961 crop year) estimate	1963 fiscal year (1962 crop year) estimate
Number of States.....	38	38	38
Number of counties.....	869	896	1 999
Estimated insurance outstanding (in thou- sands), beginning of fiscal year.....	\$265,929	\$271,347	\$343,000
Number of crops insured.....	330,448	320,292	370,000
Premiums (in thousands).....	\$17,804	\$18,181	\$24,000
Indemnities (in thousands).....	\$10,347	\$15,690	\$21,600
Loss ratio.....	0.58	0.86	0.90

¹ Includes 3 counties where insurance was offered in local producing areas in 1961. These counties are being counted as separate counties in 1962, but are not new counties.

Financing.—Income from operations for the past 4 years will provide adequate operating funds for 1963, unless unforeseen losses should occur on the 1961 crop between now and the time of harvest. Therefore, no additional capital funds are being requested for program operations. There follows a table of premiums and indemnities for 1957, 1958, 1959, and 1960.

[In thousands of dollars]

	Premiums	Indemnities	Excess of premiums
1957.....	17,407	12,004	5,403
1958.....	17,617	4,505	13,112
1959.....	18,462	14,138	4,324
1960.....	17,804	10,347	7,457
Total.....	71,290	40,994	30,296

Operating results and financial condition.—Preliminary estimates for crop year 1961, fiscal year 1962, indicate a favorable loss ratio for the fifth consecutive year. Premiums of \$18.2 million are estimated to exceed indemnities by \$2.5 million. For the crop years 1948 through 1960, premium income of \$244.3 million exceeded indemnity costs of \$230.5 million by \$13.8 million. Premium income exceeded indemnity costs in 7 years of the 13-year period.

As of June 30, 1961, the Corporation's surplus was \$8 million. The favorable loss experience which occurred

the past four years is responsible for the current favorable financial condition of the Corporation.

The following table summarizes the insurance operations by commodities for 1961, 1962, and 1963.

NET INCOME OR LOSS (—) ON INSURANCE OPERATIONS, BY COMMODITIES

[Fiscal years ending June 30, 1961, 1962, and 1963—In thousands of dollars]

	1961 actual (1960 crop year)	1962 estimate (1961 crop year)	1963 estimate (1962 crop year)
Barley.....	156.3	—337.0	93.0
Beans.....	55.1	77.0	18.0
Citrus.....	—319.1	167.0	68.0
Combined crop.....	633.2	—225.0	93.0
Corn.....	—1,630.2	2,035.0	441.0
Cotton.....	576.9	—429.0	153.0
Flax.....	241.3	—145.0	50.0
Grain sorghum.....	2.1	1.0	6.0
Oats.....	29.3	—29.0	22.0
Peaches.....	12.4	9.0	5.0
Peanuts.....	-----	-----	2.0
Raisins.....	-----	291.0	29.0
Rice.....	6.2	9.0	3.0
Soybeans.....	293.8	426.0	118.0
Tobacco.....	1,312.4	1,400.0	251.0
Wheat.....	6,087.5	—759.0	1,048.0
Premiums over indemnities.....	7,457.0	2,491.0	2,400.0
Inspection and loss ad- justment costs (—).....	—618.0	—900.0	—1,000.0
Administrative expenses charged to premium income (—).....	—694.0	—2,830.0	—2,830.0
Other income or expense, net (—).....	144.1	—45.0	—92.0
Net income or loss (—).....	6,289.1	—1,284.0	—1,522.0

SUMMARY OF INSURANCE OPERATIONS AND ADMINISTRATIVE EXPENSES

	1961 actual	1962 estimate	1963 estimate
Net income or loss (—).....	6,289.1	—1,284.0	—1,522.0
Funds appropriated for administrative expenses.....	6,561.0	6,561.0	7,500.0
Total net loss (—).....	—271.9	—7,845.0	—9,022.0

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Revenue.....	17,873	18,281	24,100
Expense.....	11,584	19,565	25,622
Net income or loss (—) for year.....	6,289	—1,284	—1,522
Analysis of retained earnings: Retained earn- ings, start of year.....	1,727	8,016	6,732
Retained earnings, end of year.....	8,016	6,732	5,210

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	43,548	50,348	50,137	49,227
Accounts receivable, net.....	4,512	4,289	3,475	1,883
Total assets.....	48,059	54,638	53,612	51,110
Liabilities:				
Current.....	6,332	6,622	6,880	5,900
Government equity:				
Non-interest-bearing capital.....	40,000	40,000	40,000	40,000
Retained earnings.....	1,727	8,016	6,732	5,210
Total Government equity.....	41,727	48,016	46,732	45,210

Analysis of Government Equity (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Unobligated balance (total Government equity).....	41,727	48,016	46,732	45,210

Note.—Excludes contingent liabilities representing estimated insurance coverage on 1961, 1962, and 1963 crops in the following amounts: 1961, \$271 million; 1962, \$343 million; and 1963, \$370 million.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	5		
Positions other than permanent.....	368	785	734
Total personnel compensation.....	373	785	734
12 Personnel benefits.....	11	23	22
21 Travel and transportation of persons.....	234	596	540
25 Other services:			
Agents' commissions.....	694	2,326	2,534
42 Insurance claims and indemnities.....	10,347	15,690	21,600
Undistributed.....	-75	145	192
Total obligations.....	11,584	19,565	25,622

Personnel Summary

Total number of permanent positions.....	1		
Full-time equivalent of other positions.....	79	175	163
Average number of all employees.....	80	175	163
Number of employees at end of year.....	389	557	550

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Contract sales and servicing (total program costs—obligations) (object class 31).....	1	2	
Financing:			
Advances and reimbursements from—			
Other accounts.....	1	1	
Non-Federal sources (40 U.S.C. 481(c)).....		1	
Total financing.....	1	2	

RURAL ELECTRIFICATION ADMINISTRATION

Current authorizations:

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-924), as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3(a) of said Act, as follows: Rural electrification program, [\$175,000,000] \$345,000,000; and rural telephone program, [\$132,500,000; and additional amounts, not to exceed \$70,000,000 for the rural electrification program and \$30,000,000 for the rural telephone program, may be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1962 under the then existing conditions for the expeditious and orderly development of the rural electrification and telephone programs] \$135,000,000. (Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Rural electrification.....	183,413	200,000	230,000
2. Rural telephone.....	108,065	120,000	130,000
Total program costs.....	291,478	320,000	360,000
Change in selected resources ¹	125,424	47,000	120,000
Total obligations (object class 33).....	416,902	367,000	480,000
Financing:			
Unobligated balance brought forward (authorization to expend from public debt receipts).....	-135,629	-35,151	-651
Recovery of prior obligations.....	-6,424	-5,000	
Unobligated balance carried forward (authorization to expend from public debt receipts).....	35,151	651	651
Unobligated balance lapsing (authorization to expend from public debt receipts).....		80,000	
New obligational authority (authorization to expend from public debt receipts).....	310,000	407,500	480,000

¹ Selected resources as of June 30 are as follows: Undisbursed loan obligations, 1960, \$750,390 thousand; (1961 adjustments, -\$6,424 thousand); 1961, \$869,390 thousand; (1962 adjustments, -\$5,000 thousand); 1962, \$911,390 thousand; 1963, \$1,031,390 thousand.

The Administration conducts two capital investment programs: (a) the rural electrification program to provide electric service to farms and other rural establishments; and (b) the rural telephone program to furnish and improve telephone service in rural areas. Funds for making repayable loans are borrowed from the Secretary of the Treasury.

1. *Rural electrification.*—This capital investment program is financed through loans which bear 2% interest and must be repaid within a period not to exceed 35 years. Loans are also made for shorter periods at 2% interest to electrification borrowers to be reloaned to their consumers for the purpose of financing the wiring of premises and the acquisition and installation of electrical and plumbing appliances and equipment, including machinery.

STATUS OF THE ELECTRIFICATION PROGRAM

Program Financing

(In thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Loan funds available:			
New loan authorization (including reserves for 1961 and 1962).....	170,000	245,000	345,000
Carryover from prior year.....	135,603	34,172	172
Rescissions of prior year loans.....	3,077	3,000	
Total loan funds available.....	308,679	282,172	345,172
Less—			
Loans approved.....	274,507	232,000	345,000
Reserve not used.....		50,000	
Balance to next year.....	34,172	172	172

Program Statistics

(Dollars in thousands)

Cumulative net loans.....	\$4,424,756	\$4,653,756	\$4,998,756
Cumulative funds advanced.....	\$3,764,297	\$3,964,297	\$4,194,297
Unadvanced funds, end of year.....	\$660,459	\$689,459	\$804,459
Cumulative principal repaid.....	\$975,561	\$1,082,276	\$1,196,086
Cumulative interest paid.....	\$474,847	\$534,427	\$599,412
Cumulative miles energized (thousands).....	1,473	1,493	1,513
Cumulative consumers served (thousands).....	4,891	5,011	5,131
Number of borrowers.....	1,089	1,091	1,093

RURAL ELECTRIFICATION ADMINISTRATION— Continued

Current authorizations—Continued

LOAN AUTHORIZATIONS—Continued

2. *Rural telephone.*—This capital investment program is financed through loans which are made for the purpose of financing the improvement, expansion, construction, acquisition, and operation of the telephone lines and facilities or systems to furnish and improve telephone service in rural areas. The loans bear 2% interest and must be repaid within a period not to exceed 35 years.

In 1950, when the telephone program started, the Census of Agriculture showed 38.2% of all farms with telephone service, fewer in both number and percentage than in 1920. Approximately 70% of the farms now have telephone service. Cumulative Rural Electrification Administration loans through June 30, 1961, will eventually provide initial or improved service to an estimated 1,604 thousand rural subscribers.

STATUS OF THE TELEPHONE PROGRAM

Program Financing

[In thousands of dollars]

	1961 actual	1962 estimate	1963 estimate
Loan funds available:			
New loan authorization (including reserves for 1961 and 1962).....	140,000	162,500	135,000
Carryover from prior year.....	26	979	479
Rescissions of prior year loans.....	3,348	2,000	-----
Total loan funds available.....	143,374	165,479	135,479
Less—			
Loans approved.....	142,395	135,000	135,000
Reserve not used.....	-----	30,000	-----
Balance to next year.....	979	479	479

Program Statistics

[Dollars in thousands]

Cumulative net loans.....	\$818,258	\$951,258	\$1,086,258
Cumulative funds advanced.....	\$609,327	\$729,327	\$859,327
Unadvanced funds, end of year.....	\$208,931	\$221,931	\$226,931
Cumulative principal repaid.....	\$30,671	\$42,866	\$57,081
Cumulative interest paid.....	\$24,735	\$37,445	\$53,145
Route miles of line constructed or improved, cumulative (thousands).....	261	305	352
Subscribers, new and improved service, cumulative (thousands).....	1,112	1,312	1,525
Number of borrowers.....	753	805	855

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
For the fiscal year:			
Lending operations:			
Interest income.....	65,560	69,350	73,988
Expense:			
Interest expense (statutory rates).....	64,416	67,700	72,156
Provision for possible losses on loans.....	-----	-----	-----
Total expense.....	64,416	67,700	72,156
Net difference.....	1,144	1,650	1,832
Administrative expenses (provided by annual appropriations): Salaries and expenses.....	9,997	¹ 9,669	10,369

Revenue, Expense, and Retained Earnings (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Cumulative to end of fiscal year:			
Lending operations:			
Interest income.....	655,694	725,044	799,032
Expense:			
Interest expense (statutory rates).....	594,576	662,276	734,432
Provision for possible losses on loans.....	9,090	9,090	9,090
Losses on foreclosed loans.....	44	44	44
Total expense.....	603,710	671,410	743,566
Net difference.....	51,984	53,634	55,466
Administrative expenses (provided by annual appropriations): Salaries and expenses.....	144,832	154,501	164,870

¹ Includes adjustment of equipment depreciation for prior years.

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	18,319	11,966	11,070	11,320
Cash on hand.....	437	780	500	500
Loans and interest receivable, net.....	3,330,154	3,514,370	3,712,520	3,937,799
Travel advances and current receivables.....	99	100	100	100
Equipment, net.....	-----	-----	355	310
Total assets.....	3,349,010	3,527,216	3,724,545	3,950,029
Liabilities:				
Current.....	615	712	708	708
Trust and deposit.....	267	299	300	300
Total liabilities.....	882	1,011	1,008	1,008
Government equity:				
Borrowings from Treasury.....	3,154,651	3,331,588	3,526,915	3,750,612
Appropriated administrative funds, net.....	134,853	144,845	154,869	165,193
Appropriated loan funds, net.....	142,620	142,620	142,620	142,620
Net difference between income and expense.....	50,840	51,984	53,634	55,466
Administrative expenses.....	—134,835	—144,832	—154,501	—164,870
Total Government equity.....	3,348,128	3,526,205	3,723,537	3,949,021

Note.—Undisbursed loan commitments outstanding are as follows: June 30, 1960, \$750,390 thousand; 1961, \$869,390 thousand; 1962, \$911,390 thousand; 1963, \$1,031,390 thousand.

Proposed for separate transmittal:

LOAN AUTHORIZATIONS

Legislation will be proposed for the establishment of a "Rural Electrification Administration Loan Account" which will reflect the net cost of the loan programs by showing it as the excess of the aggregate of the loans to be made over the current receipts on loans previously made. The account will be budgeted on a net expenditure basis. Loan receipts are estimated to be \$136 million in 1963, adjusting new obligational authority as follows:

[In thousands of dollars]	
Currently requested.....	480,000
Proposed revised estimate.....	—344,174
Reduction in new obligational authority.....	135,826

SALARIES AND EXPENSES

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), **[\$10,024,000]** \$10,324,000. (5 U.S.C. 511-512; 7 U.S.C. 901-924; *Department of Agriculture and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Administration of rural electrification program.....	4,940	5,125	5,325
2. Administration of rural telephone program.....	5,057	4,899	4,999
Total program costs ¹	9,997	10,024	10,324
Change in selected resources ²	5		
Total obligations.....	10,002	10,024	10,324
Financing:			
Unobligated balance lapsing.....	22		
New obligational authority (appropriation).....	10,024	10,024	10,324

¹ Includes capital outlay as follows: June 30, 1961, \$71 thousand; 1962, \$40 thousand; 1963, \$40 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$18 thousand (1961 adjustments, -\$9 thousand); 1961, \$14 thousand; 1962, \$14 thousand; 1963, \$14 thousand.

The Administration makes repayable loans for the extension and improvement of electric and telephone services in rural areas. Business management and technical help is furnished borrowers where needed to protect the Government's loan security and to assure that construction and operation of their systems conform to approved standards and are adequate to provide continuous and reliable service.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	7,838	7,871	8,069
Positions other than permanent.....	31	39	39
Other personnel compensation.....	37	8	8
Total personnel compensation.....	7,906	7,918	8,116
12 Personnel benefits.....	600	596	611
21 Travel and transportation of persons.....	1,046	1,052	1,148
22 Transportation of things.....	26	41	45
23 Rent, communications, and utilities.....	138	135	137
24 Printing and reproduction.....	108	113	113
25 Other services.....	26	26	26
Services of other agencies.....	41	62	47
26 Supplies and materials.....	46	41	41
31 Equipment.....	65	40	40
Total obligations.....	10,002	10,024	10,324

Personnel Summary

Total number of permanent positions.....	1,045	1,045	1,080
Full-time equivalent of other positions.....	2	3	3
Average number of all employees.....	964	952	973
Number of employees at end of year.....	987	990	1,010
Average GS grade.....	9.3	9.6	9.7
Average GS salary.....	\$8,060	\$8,190	\$8,204

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Administration of rural electrification program.....	5	9	
2. Administration of rural telephone program.....	6	9	
Total program costs—obligations.....	11	18	
Financing:			
Advances and reimbursements from—			
Other accounts.....	6	12	
Non-Federal sources (40 U.S.C. 481(c)).....	4	6	
Total financing.....	11	18	

Object Classification (in thousands of dollars)

11 Personnel compensation: Permanent positions.....	6	12	
31 Equipment.....	4	6	
Total obligations.....	11	18	

Personnel Summary

Total number of permanent positions.....	1	1	
Average number of all employees.....	1	1	
Number of employees at end of year.....	0	0	
Average GS grade.....	10.3	6.7	
Average GS salary.....	\$9,403	\$6,950	

FARMERS HOME ADMINISTRATION

Current authorizations:

【To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1000-1031); the Farmers Home Administration Act of 1946 (7 U.S.C. 1001, note; 31 U.S.C. 82h; 12 U.S.C. 371; 35 D.C. Code 535; 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U.S.C. 436-439); the Act of August 28, 1937, as amended (16 U.S.C. 590r-590x-3), for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1483), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038), and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting and servicing of credit sales and development accounts in water conservation and utilization projects (53 Stat. 685, 719), as amended and supplemented (16 U.S.C. 590y, z-1 and z-10); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U.S.C. 1033-1039), as follows:】

【LOAN AUTHORIZATIONS】

【For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that Act, as amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$40,000,000, of which not to exceed \$2,500,000 may be distributed to States and

FARMERS HOME ADMINISTRATION—Continued**Current authorizations—Continued****[LOAN AUTHORIZATIONS]—Continued**

territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public lands; title II of the Bankhead-Jones Farm Tenant Act, as amended, \$237,500,000; the Act of August 28, 1937, as amended, \$3,000,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952: *Provided further*, That an additional amount, not to exceed \$37,500,000, may be borrowed under the same terms and conditions to the extent that such amount is required during fiscal year 1962 under the then existing conditions for the expeditious and orderly conduct of the loan program under title II of the Bankhead-Jones Farm Tenant Act, as amended.]

[For an additional amount for "Loan Authorizations", for loans under the Act of August 28, 1937, as amended, \$8,000,000.]

Note.—See Public enterprise funds, "Direct Loan Account."

[FARM] RURAL HOUSING GRANTS AND LOANS

For grants and loans for the purposes of subsections 504(a) and 504(b) of the Housing Act of 1949, as amended (42 U.S.C. 1474), \$10,000,000, to remain available until June 30, 1965. (75 Stat. 186-189; Supplemental Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Rural housing loans and grants:			
(a) Enlargement and development loans.....		7,500	9,500
(b) Repair and improvement grants.....		500	500
2. Loans: Buildings.....	57,651	83,000	79,000
Total program costs.....	57,651	91,000	89,000
Change in selected resources ¹	12,690	-6,000	-4,000
Total obligations.....	70,341	85,000	85,000
Financing:			
Unobligated balance brought forward (authorization to expend from public debt receipts).....	-297,462	-427,612	-352,612
Recovery of prior year obligations.....	-491		
Unobligated balance carried forward (authorization to expend from public debt receipts).....	427,612	352,612	277,612
New obligational authority.....	200,000	10,000	10,000
New obligational authority:			
Appropriation.....		10,000	10,000
Authorization to expend from public debt receipts.....	200,000		

¹ Selected resources as of June 30, are as follows: Unpaid undelivered orders, 1960, \$1,862 thousand (1961 adjustments - \$491 thousand); 1961, \$14,061 thousand; 1962, \$8,061 thousand; 1963, \$4,061 thousand.

1. *Rural housing loans and grants.*—Rural housing direct loans are authorized by title V of the Housing Act of 1949, as amended, to be made to farm and non-farm owners of real estate in rural areas and to long-term farm leaseholders unable to obtain credit from other sources at reasonable rates. Grants are made for minor building repair. In addition to the direct loans, insured loans are made to provide housing for domestic farm labor.

2. *Building loans.*—Direct building loans are made to farm owners and to owners of other real estate in rural areas to construct, improve, alter, repair, or replace dwellings and essential farm service buildings. Loans are

repayable in not more than 33 years and bear interest at 4%.

3. *Enlargement and development loans.*—Direct farm enlargement and development loans, along with building loans, are also made to farmowners on potentially adequate farms who need to develop their farms so as to increase their income sufficiently to repay the loans. Loans are repayable in not more than 33 years and bear interest at 4%.

4. *Repair and improvements grants.*—Grants are made to farmowners, to owners of other real estate and leaseholders in rural areas for such minor items as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, and supplying screens. In some cases, combination building loans and grants are made not in excess of \$1 thousand. A grant, whether or not combined with a building loan, cannot exceed \$500.

5. *Insured farm labor housing loans.*—Insured loans are made to farmowners or to organizations to provide modest living quarters and related facilities for domestic farm labor. These loans, made with funds advanced by private lenders, are repayable in not more than 33 years and bear interest not in excess of 5%. Annual payments of principal and interest to lenders are fully guaranteed. Lenders can receive up to 4½% interest of the 5% paid by the borrower. The Government retains at least one-half of one percent of the interest as an insurance premium. The Administration services these insured loans, makes collections, and pays the lender.

[Dollars in thousands]

	1961 actual		1962 estimate		1963 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	18,669		30,000		30,000	
Direct loans:						
Building loans.....	8,935	\$70,341	10,240	\$75,000	10,240	\$75,000
Enlargement and development loans.....			2,500	9,500	2,500	9,500
Repair and improvement grants.....			1,050	500	1,050	500
Insured loans:						
Farm labor housing loans.....			50	1,000	50	1,000

COLLECTIONS OF PRINCIPAL AND INTEREST**[In thousands of dollars]**

	1961 actual	1962 estimate	1963 estimate
Rural housing loans.....	21,844	29,000	34,250

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
33 Investments and loans.....	70,341	84,500	84,500
41 Grants, subsidies, and contributions.....		500	500
Total obligations.....	70,341	85,000	85,000

SALARIES AND EXPENSES

[For making, servicing, and collecting loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers Home Administration, and other administrative expenses, \$33,017,000, together with a transfer of not to exceed \$1,050,000 of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1005 (b)), and section 10(c) of the Act of August 28, 1937, as amended.]

[For an additional amount for "Salaries and expenses", including \$125,000 for farm housing research and study programs as authorized by subsections (b) and (c) of section 506 of the Housing Act

of 1949, as added by section 805 of the Housing Act of 1961 (42 U.S.C. 1471), \$1,500,000.】

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307) title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1484) and the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444); \$35,000,000, together with not more than \$1,020,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farmers Home Administration Act of 1961, and section 514(b)(3) of the Housing Act of 1949, as amended. (7 U.S.C. 1040 Department of Agriculture and Related Agencies Appropriation Act, 1962; Supplemental Appropriation Act, 1962.)

Note.—Excludes \$125 thousand for activities transferred in the estimates to the following appropriations:

"Salaries and expenses," Agricultural Research Service \$75 thousand.

"Salaries and expenses," Economic Research Service \$50 thousand.

The amounts obligated in 1962 are shown in the schedule as comparative transfers.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Administration of direct and insured loan programs (total program costs) ¹	34,042	35,432	36,020
Change in selected resources ²	-15		
Total obligations.....	34,027	35,432	36,020
Financing:			
Comparative transfers to other accounts.....		125	
Advanced from the "Agricultural credit insurance fund".....	-1,050	-1,050	-1,020
Unobligated balance lapsing.....	40		
New obligational authority.....	33,017	34,507	35,000
New obligational authority:			
Appropriation.....	33,017	34,517	35,000
Transferred to: "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353).....		-10	
Appropriation (adjusted).....	33,017	34,507	35,000

¹ Includes capital outlay as follows: 1961, \$124 thousand; 1962, \$75 thousand; 1963, \$75 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjust- ments	1961	1962	1963
Stores.....	158		97	97	97
Unpaid undelivered orders.....	26	-4	68	68	68
Total selected re- sources.....	184	-4	165	165	165

These moneys are used to administer the loan programs of the Farmers Home Administration including reviewing applications, making and collecting loans, and providing technical assistance and guidance to borrowers.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	26,293	27,159	27,427
Positions other than permanent.....	630	635	835
Other personnel compensation.....	181	79	81
Total personnel compensation.....	27,104	27,873	28,343
12 Personnel benefits.....	2,056	2,123	2,133
21 Travel and transportation of persons.....	2,839	3,195	3,400
22 Transportation of things.....	73	80	81
23 Rent, communications, and utilities.....	1,447	1,524	1,550
24 Printing and reproduction.....	107	122	124
25 Other services.....	156	171	178

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
26 Supplies and materials.....	110	120	126
31 Equipment.....	135	224	85
Total obligations.....	34,027	35,432	36,020

Personnel Summary

Total number of permanent positions.....	4,463	4,649	4,648
Full-time equivalent of other positions.....	402	417	417
Average number of all employees.....	4,719	4,855	4,883
Number of employees at end of year.....	9,277	9,440	9,490
Average GS grade.....	6.7	6.8	6.8
Average GS salary.....	\$6,077	\$6,106	\$6,127

ALLOTMENTS AND ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriations as follows:

"Agency for International Development," funds appropriated to the President.

"Watershed protection," Soil Conservation Service.

"Flood prevention," Soil Conservation Service.

Public enterprise funds:

DIRECT LOAN ACCOUNT

Direct loans and advances under subtitles A and B, and advances under section 335(a) for which funds are not otherwise available, of the Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307) may be made from funds available in the Farmers Home Administration direct loan account as follows: real estate loans \$50,000,000; and operating loans, \$275,000,000. (75 Stat. 17; Department of Agriculture and Related Agencies Appropriation Act, 1962; Supplemental Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:	Appropriation	Revolving fund	
Operating costs, funded:			
1. Interest on borrowings.....	7,009	8,400	9,800
2. Costs incident to security for loans.....	19	25	30
3. Provision for losses on current receiv- ables.....	4,216	1,961	2,402
Payments to miscellaneous receipts of Treasury.....	20		
Total operating costs, funded.....	11,264	10,386	12,232
Capital outlay:			
Loans made:			
4. Real estate loans:			
(a) Farm ownership loans.....	31,962	39,880	39,980
(b) Soil and water conservation loans.....	3,342	10,920	8,490
Subtotal, real estate loans.....	35,304	50,800	48,470
5. Operating loans.....	231,961	225,065	275,000
Other, including judgments and collateral acquired.....	198	211	225
Total capital outlay.....	267,463	276,076	323,695
Total operating costs, funded, and capital outlay.....	278,727	286,462	335,927
Change in selected resources ¹	-490	110	3,200
Total obligations (object class 33).....	278,239	286,572	339,127

¹ Balances of selected resources are identified on the statement of financial condition.

FARMERS HOME ADMINISTRATION—Continued**Public enterprise funds—Continued***DIRECT LOAN ACCOUNT—Continued***Program and Financing (in thousands of dollars)—Continued**

	1961 actual	1962 estimate	1963 estimate
	Appropriation	Revolving fund	
Financing:			
New obligational authority (authorization to expend from public debt receipts)-----	267,000	326,000	-----
Revenues and other receipts:			
Repayments on loans-----	200,734	219,971	239,611
Proceeds from sale of acquired property-----	169	200	200
Payments on judgments-----	267	290	300
Interest revenue-----	33,300	35,468	38,117
Other revenue-----	31	5	5
Total revenues and other receipts-----	234,501	255,934	278,233
Unobligated balance brought forward:			
Cash-----	29,221	28,661	274,023
Authorization to expend from public debt receipts (reserved)-----			12,500
Unobligated balance lapsing-----	-223,822	-37,500	-----
Unobligated balance carried forward:			
Cash-----	-28,661	-274,023	-213,129
Authorization to expend from public debt receipts (reserved)-----		-12,500	-12,500
Financing applied to program-----	278,239	286,572	339,127

Summary of Sources and Application of Funds (in thousands of dollars)

	Appropriation	Revolving fund	
Obligations (from program and financing)-----	278,239	286,572	339,127
Increase (—) or decrease in gross unpaid obligations-----	490	-110	-3,200
Gross expenditures-----	278,729	286,462	335,927
Revenues and other receipts (from program and financing)-----	234,501	255,934	278,233
Increase (—) or decrease in accounts receivable, net-----	560	-1,033	-1,228
Applicable receipts-----	235,061	254,901	277,005
Expenditures-----	43,668	31,561	58,922
Budget expenditures:			
Appropriations (gross expenditures)-----	267,199		
Revolving fund (net expenditures)-----		31,561	58,922

Direct loan account.—This account was established on October 16, 1961, pursuant to section 338(c) of the Consolidated Farmers Home Administration Act of 1961. Loans are made under the authorities of subtitles A and B of the Act to farmers unable to obtain credit from other sources at reasonable rates. Loans made under these and similar prior authorities are reported and accounted for in this account. In 1962, the total Treasury borrowing authorization available for loans is \$288.5 million plus a contingency authorization of \$37.5 million available for operating loans. The latter amount plus \$12.5 million of the regular operating loan authorization is reserved pending determination of need. In 1963, it is proposed to carry out the entire estimated loan program of \$325 million through utilization of receipts to the Direct loan account representing collections during 1962 and 1963 on loans outstanding. No new borrowing authorization is estimated for 1963.

In addition to the direct loans, farm ownership and soil and water conservation loans advanced by private lenders will be insured within the annual statutory insurance authority of \$150 million for these purposes. Contingent liabilities for these insured loans are reflected in the Agricultural credit insurance fund schedules.

4. *Real estate loans*—a. *Farm ownership loans.*—Direct and insured loans are made to farmers and ranchers for acquiring, enlarging, or improving farms, including farm buildings, land development, use and conservation, refinancing indebtedness, and for loan closing costs. Loans are confined to farms which are not larger than family farms. A loan cannot exceed \$60 thousand in any case. In addition, the indebtedness against a farm or other security, including the amount of the loan, cannot exceed \$60 thousand or the normal value of the farm and any additional security. Loans are repayable in not more than 40 years and bear interest not in excess of 5%. Insured loans are made with funds advanced by private lenders. Annual payments of principal and interest to lenders are fully guaranteed. Lenders can receive up to 4½% interest of the 5% paid by the borrower. The Government retains at least one-half of one percent of the interest as an insurance premium. The Administration services these insured loans, makes collections, and pays the lender.

FARM OWNERSHIP LOANS

[Dollars in thousands]

	1961 actual		1962 estimate		1963 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications--	21,060		35,000		35,000	
Direct loans-----	2,153	\$31,900	2,620	\$40,000	2,620	\$40,000
Insured loans-----	1,818	25,329	4,550	65,000	4,550	65,000

b. *Soil and water conservation loans.*—Direct and insured loans are made to farmers and ranchers and to associations for the effective development and utilization of water supplies and for the improvement of farmland by soil and water conserving facilities and practices. Farms of any size may be improved with loans to individual farmers. For loans to individuals, a loan cannot exceed \$60 thousand in any case; in addition the indebtedness against a farm or other security, including the amount of the loan, cannot exceed \$60 thousand or the normal value of the farm and any additional security. For loans to associations, the unpaid principal indebtedness is limited to \$500 thousand in the case of a direct loan and \$1 million in the case of an insured loan. Loans are repayable in not more than 40 years and bear interest not in excess of 5%. Insured loans are made with funds advanced by private lenders. Annual payments of principal and interest to lenders are fully guaranteed. Lenders can receive up to 4½% interest of the 5% paid by the borrower. The Government retains at least one-half of one percent of the interest as an insurance premium. The Administration services these insured loans, makes collections, and pays the lender.

SOIL AND WATER CONSERVATION LOANS

[Dollars in thousands]

	1961 actual		1962 estimate		1963 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications--	1,714		2,600		2,800	
Direct loans:						
To individuals-----	289	\$1,406	1,005	\$5,000	1,010	\$5,000
To associations-----	22	1,590	36	6,000	41	5,000
Insured loans:						
To individuals-----	227	892	1,025	5,000	1,025	5,000
To associations-----	17	556	45	9,000	45	9,000

5. *Operating loans.*—Direct loans are made to farmers and ranchers for paying costs incident to reorganizing a farming system for more profitable operations; for a variety of essential farm operating expenses such as the purchase of livestock, farm equipment, feed, seed, fertilizer and farm supplies; for financing land and water development, use and conservation; for refinancing indebtedness; for other farm and home needs; and for loan closing costs. Loans are confined to operators of not larger than family farms. The outstanding principal loan balance for operating loans is limited to \$35 thousand. Loans bear interest at 5% and may be made for periods up to 7 years, but may be renewed for not more than 5 additional years. Loans are secured by crop and chattel liens and, when necessary, by real estate mortgages.

FARM OPERATING LOANS

	1961 actual	1962 estimate	1963 estimate
Number of applications.....	118,371	145,000	150,000
Number of loans.....	74,740	74,990	83,905
Amount of loans (thousands of dollars)...	\$232,100	\$225,000	\$275,000

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
	Appropriation	Revolving fund	
Revenue.....	33,331	35,473	38,122
Expense.....	17,290	20,117	23,732
Net operating income.....	16,041	15,356	14,390
Nonoperating income or loss (—):			
Proceeds from sale of acquired property:			
Cash sales.....	169	200	200
Exchanged for loans receivable.....	421	600	600
Total proceeds from sale of acquired property.....	590	800	800
Net book value of assets sold (—).....	572	790	780
Net nonoperating income.....	18	10	20
Net income for the year.....	16,059	15,366	14,410
Analysis of retained earnings:			
Retained earnings, start of year.....			31,425
Retained earnings assumed at inception of revolving fund.....		16,059	
Retained earnings, end of year.....	16,059	31,425	45,835

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
	Appropriation	Revolving fund		
Assets:				
Treasury balance.....	2,111	1,622	246,061	187,139
Accounts receivable, net.....	29,221	28,661	29,694	30,922
Loans receivable, net.....	629,776	690,214	736,158	808,300
Property acquired through foreclosure.....	481	332	267	212
Land and improvements.....	113	100	100	100
Judgments, net.....	575	585	600	617
Total assets.....	662,278	721,514	1,012,880	1,027,290
Liabilities:				
Current.....	16	16	16	16

Financial Condition (in thousands of dollars)—Continued

	1960 actual	1961 actual	1962 estimate	1963 estimate
	Appropriation	Revolving fund		
Government equity:				
Interest-bearing capital:				
Start of year.....	215,803	228,782		547,960
Outstanding borrowings from Treasury, net, assumed at inception of revolving fund.....			271,960	
Borrowings from Treasury, net.....	12,978	43,178	276,000	
End of year.....	228,782	271,960	547,960	547,960
Non-interest-bearing capital:				
Start of year.....	433,479	433,479		433,479
Net assets assumed at inception of revolving fund.....			433,479	
End of year.....	433,479	433,479	433,479	433,479
Retained earnings.....		16,059	31,425	45,835
Total Government equity.....	662,262	721,498	1,012,864	1,027,274

Analysis of Government Equity and Undrawn Authorizations (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Undisbursed loan obligations ¹	2,096	1,606	1,716	4,916
Unobligated balance.....	29,221	28,661	286,523	225,629
Invested capital and earnings.....	630,945	691,231	737,125	809,229
Subtotal.....	662,262	721,498	1,025,364	1,039,774
Less undrawn authorizations.....			12,500	12,500
Total Government equity.....	662,262	721,498	1,012,864	1,027,274

¹ The changes in this item are reflected on the program and financing schedule.

EMERGENCY CREDIT REVOLVING FUND

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Operating costs, funded:			
Administrative expenses.....	2,164	2,538	2,529
Provision for losses—accrued interest receivable.....	300	284	569
Write-offs—accounts receivable.....		228	
Other.....	2		
Total operating costs, funded.....	2,466	3,050	3,098
Capital outlay:			
Loans made:			
Emergency loans.....	24,625	43,118	50,750
Economic emergency loans.....	653	23	
Special livestock loans.....	1,165	600	
Other loans.....	61	50	50
Judgments and collateral acquired.....	43	31	43
Total capital outlay.....	26,547	43,822	50,843
Total operating costs, funded, and capital outlay.....	29,013	46,872	53,941
Change in selected resources ¹	—70		
Total obligations.....	28,942	46,872	53,941

¹ Balances of selected resources are identified on the statement of financial condition.

FARMERS HOME ADMINISTRATION—Continued**Public enterprise funds—Continued****EMERGENCY CREDIT REVOLVING FUND—Continued****Program and Financing (in thousands of dollars)—Continued**

	1961 actual	1962 estimate	1963 estimate
Financing:			
Revenues and other receipts:			
Repayments on loans.....	25,629	28,442	36,455
Proceeds from sale of acquired chattels.....	43		
Repayments on judgments.....	89	76	112
Interest revenue.....	1,637	1,565	1,955
Other revenue.....	2	1	1
Total revenue and other receipts.....	27,400	30,084	38,523
Unobligated balance brought forward.....	84,489	82,965	66,177
Recovery of prior-year obligations.....	18		
Unobligated balance carried forward.....	-82,965	-66,177	-50,759
Financing applied to program.....	28,942	46,872	53,941

Summary of Sources and Application of Funds (in thousands of dollars)

Obligation (from program and financing).....	28,942	46,872	53,941
Increase (—) or decrease in gross unpaid obligation.....	57	-185	-184
Adjustment for recovery of prior year obligations (—).....	-18		
Gross expenditures.....	28,981	46,687	53,757
Revenues and other receipts (from program and financing).....	27,400	30,084	38,523
Decrease in accounts receivable, net.....	106	177	77
Applicable receipts.....	27,506	30,261	38,600
Budget expenditures.....	1,475	16,426	15,157

Purpose and financial organization.—The Consolidated Farmers Home Administration Act of 1961 (title III of Public Law 87-128) changed the name of the Disaster Loan Revolving Fund to the Emergency Credit Revolving Fund and repealed the previous legislation. The new legislation continues the same principles of extending emergency credit to farmers and ranchers in the event of natural disasters in areas where agricultural credit is not readily available. Authority for economic emergency loans and for emergency assistance in furnishing feed and seed have been discontinued. Loans may be made to previously indebted borrowers to permit orderly repayment of such indebtedness.

Budget program—Loan commitments.—(a) *Emergency loans.*—Loans are made at 3% interest to farmers and ranchers and to domestic corporations or partnerships engaged primarily in farming in any designated emergency area or to persons or corporations outside such areas who have suffered severe production losses not general to the area.

(b) *Special livestock loans.*—Until December 31, 1961, loans were authorized to be made at 5% interest to established livestock producers who have a reasonable chance of working out their difficulties with such financing (Public Law 87-106).

(c) *Other loans.*—Where necessary to protect the Government's investment, obligations are incurred in con-

nection with outstanding loans to provide for payment of such costs as taxes and insurance. Such advances are charged to the borrowers' accounts.

Administrative expenses.—The principal administrative expenses are related to the loan programs of the Farmers Home Administration. These expenses are estimated at \$2.5 million in each of the years 1962 and 1963. Administrative expenses for the Office of the General Counsel are estimated at \$29 thousand in each of the years 1962 and 1963. Administrative expenses for the Agricultural Stabilization and Conservation Service are estimated at \$9 thousand for 1962; none is authorized in 1963.

Financing the budget program.—No new budgetary authorization is required for 1963. A net loss of \$2.7 million is estimated on an accrual basis. Net expenditures of \$15.1 million are anticipated on a cash basis due primarily to excess loan advances over loan repayments during the year. During 1963, the program will be wholly financed by receipts from operations.

Operating results and financial condition.—Revenue for 1963, consisting principally of interest on loans, is estimated at \$2 million, compared to expenses of \$4.7 million, resulting in an estimated loss of \$2.7 million. A net loss of \$2.9 million is estimated for 1962, and a net gain of \$295 thousand resulted in 1961.

Loans receivable, after allowance for losses, are expected to amount to \$66 million on June 30, 1963, as compared to \$53.3 million at June 30, 1962, and \$39.5 million on June 30, 1961.

The Government investment at June 30, 1963 is expected to be \$117.5 million consisting of \$205.9 million appropriated and donated, less a deficit of \$88.4 million.

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Operating program:			
Revenue.....	1,639	1,566	1,956
Expense.....	1,344	4,459	4,674
Net operating income or loss (—).....	295	-2,893	-2,718
Nonoperating income:			
Proceeds from sale of collateral:			
Cash sales.....	43		
Exchanged for loans receivable.....	129		
Total proceeds from sale of collateral.....	172		
Net book value of assets sold (—).....	-147		
Net nonoperating income.....	25		
Net income or loss (—) for the year.....	320	-2,893	-2,718
Analysis of deficit (—):			
Deficit (—), beginning of year.....	-83,032	-82,712	-85,605
Deficit (—), end of year.....	-82,712	-85,605	-88,323

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	81,543	80,068	63,642	48,485
Accounts receivable, net.....	3,584	3,478	3,301	3,224
Loans receivable, net.....	37,523	39,509	53,379	66,088
Acquired security or collateral.....	115	53	91	74
Judgments, net.....	222	212	199	207
Total assets.....	122,987	123,320	120,612	118,078

Financial Condition (in thousands of dollars)—Continued

	1960 actual	1961 actual	1962 estimate	1963 estimate
Liabilities:				
Current.....	161	174	359	543
Government equity:				
Non-interest-bearing capital.....	205,858	205,858	205,858	205,858
Deficit (—).....	—83,032	—82,712	—85,605	—88,323
Total Government equity.....	122,826	123,146	120,253	117,535

Analysis of Government Equity (in thousands of dollars)

Undisbursed loan obligations ¹	477	407	407	407
Unobligated balance.....	84,489	82,965	66,177	50,759
Invested capital and earnings.....	37,860	39,774	53,669	66,369
Total Government equity.....	122,826	123,146	120,253	117,535

¹ The changes in this item are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
FARMERS HOME ADMINISTRATION			
11 Personnel compensation:			
Permanent positions.....	1,685	1,900	1,897
Positions other than permanent.....	93	241	241
Other personnel compensation.....	10	7	7
Total personnel compensation.....	1,788	2,148	2,145
12 Personnel benefits.....	133	164	156
21 Travel and transportation of persons.....	143	181	192
24 Printing and reproduction.....	4	5	5
25 Other services.....	1	2	2
33 Investments and loans.....	26,476	43,822	50,843
Undistributed charges.....	302	512	569
Total obligations.....	28,847	46,834	53,912
ALLOTMENT ACCOUNTS			
11 Personnel compensation: Permanent positions.....	74	33	27
12 Personnel benefits.....	5	3	2
21 Travel and transportation of persons.....	10	1	
23 Communications.....	1		
24 Printing and reproduction.....	1	1	
25 Other services.....	1		
Advanced to "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U.S.C. 1392).....	1		
31 Equipment.....	1		
41 Grants, subsidies, and contributions.....	1		
Total allotment accounts.....	95	38	29
Total obligations.....	28,942	46,872	53,941
Obligations are distributed as follows:			
Farmers Home Administration.....	28,847	46,834	53,912
Agricultural Stabilization and Conservation Service.....	79	9	
Office of the General Counsel.....	16	29	29

Personnel Summary

FARMERS HOME ADMINISTRATION			
Total number of permanent positions.....	303	344	344
Full-time equivalent of other positions.....	20	56	56
Average number of all employees.....	321	390	385
Number of employees at end of year.....	322	395	390
Average GS grade.....	5.9	6.0	6.0
Average GS salary.....	\$5,559	\$5,654	\$5,719

Personnel Summary—Continued

	1961 actual	1962 estimate	1963 estimate
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	9	5	4
Average number of all employees.....	9	4	3
Number of employees at end of year.....	5	0	0
Average GS grade.....	6.7	6.8	8.5
Average GS salary.....	\$6,192	\$6,260	\$7,807

AGRICULTURAL CREDIT INSURANCE FUND

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Operating costs, funded:			
Administrative expenses.....	1,050	1,050	1,020
Interest on borrowings.....	1,196	1,045	1,100
Costs incident to acquired real estate.....	4	5	5
Other expense.....	1	1	1
Total operating costs, funded.....	2,251	2,101	2,126
Capital outlay:			
Loans made:			
For payment of delinquent installments.....	1,903	2,000	2,300
For other advances.....	112	100	100
From fund for later sale.....	1,416	45,000	45,000
Purchase of loans from lenders.....	12,595	19,725	18,725
Collateral acquired by default.....	7		
Judgments.....	4		
Total capital outlay.....	16,036	66,825	66,125
Total operating costs, funded, and capital outlay.....	18,287	68,926	68,251
Change in selected resources ¹	492		
Total obligations.....	18,779	68,926	68,251
Financing:			
Authorization to expend from public debt receipts:			
Net borrowings from Treasury (permanent indefinite authorization).....			240
Net repayments of borrowings from Treasury.....	—6,075	—15,237	
Revenue and other receipts:			
Repayments on advances and loans held.....	4,968	5,800	4,800
Sale of loans.....	16,046	74,700	59,750
Proceeds from sale of acquired real estate.....	145	120	50
Judgments.....	20		
Insurance premiums.....	2,090	2,125	2,175
Interest income.....	1,195	1,250	1,350
Fees and other income.....	35	11	5
Total revenue and other receipts.....	24,500	84,006	68,130
Unobligated balance brought forward.....	3,725	3,370	3,213
Unobligated balance carried forward.....	—3,370	—3,213	—3,332
Financing applied to program.....	18,779	68,926	68,251

¹ Balance of selected resources are identified on the statement of financial condition.

Summary of Sources and Application of Funds (in thousands of dollars)

Obligations (from program and financing).....	18,779	68,926	68,251
Increase (—) in gross unpaid obligations.....	—490		
Gross expenditures.....	18,289	68,926	68,251
Revenues and receipts (from program and financing).....	24,500	84,006	68,130
Increase (—) or decrease in accounts receivable, net.....	—67	458	—139
Applicable receipts.....	24,433	84,464	67,991
Budget expenditures.....	—6,144	—15,538	260

FARMERS HOME ADMINISTRATION—Continued**Public enterprise funds—Continued****AGRICULTURAL CREDIT INSURANCE FUND—Continued**

Purpose and financial organization.—This fund (formerly the Farm-Tenant Mortgage Insurance Fund) is used to insure farm ownership loans, soil and water conservation loans, and farm labor housing loans as authorized by subtitle A of the Consolidated Farmers Home Administration Act of 1961 and section 514 of title V of the Housing Act of 1949, as amended. The insurance endorsement on each insured loan includes an agreement by the Government to purchase the loan after a specified period of not less than 3 years, at the holder's option. The initial fund of \$1 million is supplemented by charges collected from insured loan borrowers. Receipts are available for administrative expenses and to cover losses. Up to \$10 million may be borrowed from the Secretary of the Treasury to facilitate the blocking of farm ownership and soil and water conservation loans for sale to investors. Interest paid the Secretary of the Treasury on borrowings is based on the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the notes issued for operation of the fund.

Budget program.—Loan advances and purchases are estimated at \$66.1 million in 1963, a decrease of \$700 thousand from 1962 and an increase of \$50.1 million over 1961. Included is \$45 million in 1962 and \$45 million in 1963 for making loans from the fund which will later be sold on an insured basis. The increase in 1962 and 1963 in sale of loans from the fund is expected to result from the new authority to offer investors an interest return of 4½% instead of the previous maximum of 4%, and to offer them minimum 3-year repurchase contracts compared to the previous minimum 5-year contracts. Insured loans outstanding which are contingent liabilities against the insurance fund are expected to increase from \$182.2 million on June 30, 1961, to \$253 million at June 30, 1962, and to \$309 million by June 30, 1963.

Financing.—To finance operations, it is estimated that it will be necessary to utilize the statutory authorization to borrow from the Treasury in the net amount of \$240 thousand in 1963. Net repayments to the Treasury of \$15.2 million are anticipated in 1962.

Operating results and retained earnings.—Total income, consisting principally of insurance premiums is estimated at \$3.5 million in 1963, an increase of about \$100 thousand from 1962.

Outstanding loans receivable of \$23.6 million are estimated at June 30, 1963. Retained earnings, available to cover future losses, are estimated to be \$12.1 million at the end of 1963. These earnings, when added to the \$1 million appropriation and estimated borrowings of \$14.4 million from the Treasury, represent a \$27.5 million Government investment.

POSITION WITH RESPECT TO INSURANCE AUTHORITY

[In thousands of dollars]

	1961 actual	1962 estimate	1963 estimate
Annual mortgage insurance authority.....	150,000	150,000	150,000
Charges against mortgage insurance authority during the year:			
Mortgages insured.....	20,901	76,000	76,000
Commitments to insure pending advances by lenders.....	6,598	4,000	4,000
Mortgages accepted for the account of the fund, net.....	25	-----	-----
Total charges against authority.....	27,524	80,000	80,000
Unused insurance authority.....	122,476	70,000	70,000

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Operating program:			
Revenue.....	3,321	3,386	3,530
Expense.....	2,274	2,130	2,150
Net operating income.....	1,047	1,256	1,380
Nonoperating income or loss (—):			
Proceeds from sale of acquired property:			
Cash sales.....	145	120	50
Exchanged for loans receivable.....	63	100	75
Total proceeds from sale of acquired property.....	208	220	125
Net book value of assets sold (—).....	—218	215	122
Net nonoperating income or loss (—).....	—10	5	3
Net income for the year.....	1,037	1,261	1,383
Retained earnings, beginning of year.....	8,448	9,485	10,746
Retained earnings, end of year.....	9,485	10,746	12,129

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	1,046	1,115	1,416	1,396
Accounts receivable, net.....	2,714	2,781	2,323	2,462
Loans receivable, net.....	40,957	35,822	22,063	23,584
Judgments.....	1	5	5	5
Property acquired through foreclosure.....	203	159	99	82
Total assets.....	44,921	39,882	25,906	27,529
Liabilities:				
Current.....	8	7	7	7
Government equity:				
Interest-bearing capital:				
Start of year.....	29,220	35,465	29,390	14,153
Borrowings from Treasury, net.....	6,245	—6,075	—15,237	240
End of year.....	35,465	29,390	14,153	14,393
Non-interest-bearing capital.....	1,000	1,000	1,000	1,000
Retained earnings.....	8,448	9,485	10,746	12,129
Total Government equity.....	44,913	39,875	25,899	27,522

Analysis of Government Equity (in thousands of dollars)

Undisbursed obligations to make loans from fund ¹	26	505	505	505
Undisbursed obligations to pay recoverable loan costs ¹	1	14	14	14
Unobligated balance.....	3,725	3,370	3,213	3,332
Invested capital and earnings.....	41,161	35,986	22,167	23,671
Total Government equity.....	44,913	39,875	25,899	27,522

Note.—This statement excludes contingent liabilities for insured loans in principal amounts at June 30, 1961, \$182,224 thousand; at June 30, 1962, \$253 million; and \$309 million, at June 30, 1963.

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
25 Other services.....	1,055	1,056	1,026
33 Investments.....	16,528	66,825	66,125
43 Interest and dividends.....	1,196	1,045	1,100
Total obligations.....	18,779	68,926	68,251

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Administration of direct and insured loan programs (total program costs—obligations).....	115	131	131
Financing:			
Advances and reimbursements from—			
Other accounts.....	104	123	123
Non-Federal sources (40 U.S.C. 481(c)).....	11	8	8
Total financing.....	115	131	131

Object Classification (in thousands of dollars)

11 Personnel compensation:			
Permanent positions.....	86	105	105
Other personnel compensation.....	1		
Total personnel compensation.....	87	105	105
12 Personnel benefits.....	6	8	8
22 Transportation of things.....	1	1	1
23 Rent, communications, and utilities.....	11	10	10
31 Equipment.....	10	7	7
Total obligations.....	115	131	131

Personnel Summary

Total number of permanent positions.....	11	9	9
Average number of all employees.....	15	17	17
Number of employees at end of year.....	11	10	10
Average GS grade.....	5.2	4.7	4.7
Average GS salary.....	\$5,593	\$5,283	\$5,346

OFFICE OF THE GENERAL COUNSEL

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, [\$3,650,000: *Provided*, That the Secretary may, if he finds it necessary for the more effective and efficient operation of the Department, transfer additional amounts to this appropriation from other appropriations available to the Department for salaries and expenses for the current fiscal year, but this appropriation shall not be increased by more than 7 per centum by reason of such transfers] \$3,800,000. (5 U.S.C. 511-512, 518; *Department of Agriculture and Related Agencies Appropriation Act, 1962*.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Credit, conservation, research, and staff legal services.....	1,958	2,030	2,110
2. Commodity credit and production adjustment programs.....	856	860	860
3. Marketing and regulatory laws.....	680	755	830
Total program costs¹.....	3,494	3,645	3,800
Change in selected resources ²	24		
Total obligations.....	3,518	3,645	3,800

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
Comparative transfers from other accounts.....	-46		
Unobligated balance lapsing.....	78		
New obligational authority.....	3,550	3,645	3,800
New obligational authority:			
Appropriation.....	3,550	3,650	3,800
Transferred to the "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353).....		-5	
Appropriation (adjusted).....	3,550	3,645	3,800

¹ Includes capital outlay as follows: 1961, \$37 thousand; 1962, \$29 thousand; 1963, \$29 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$5 thousand (1961 adjustments —\$5 thousand); 1961, \$24 thousand; 1962, \$24 thousand; 1963, \$24 thousand.

The Office serves as legal counsel for the Secretary of Agriculture and performs all legal work for the Department. It represents the Department in administrative proceedings for the promulgation of rules and regulations having the force and effect of law and in quasi-judicial hearings held in connection with the administration of Department programs. The Office also represents the Secretary in proceedings before the Interstate Commerce Commission dealing with rates and practices relating to the transportation of agricultural commodities and in appeals to the courts from the decisions of the Commission. It examines titles to lands to be acquired by the Department or accepted as security for loans, and disposes of claims arising out of the Department's activities.

Increases in 1963 are to meet the increased legal workload connected with forest service activities, watershed protection and flood prevention and marketing and regulatory activities.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	2,994	3,132	3,259
Positions other than permanent.....	10	13	13
Other personnel compensation.....	18	3	3
Total personnel compensation.....	3,022	3,148	3,275
12 Personnel benefits.....	226	237	246
21 Travel and transportation of persons.....	79	102	104
22 Transportation of things.....	1	6	7
23 Rent, communications, and utilities.....	47	43	49
24 Printing and reproduction.....	29	22	23
25 Other services.....	13	14	15
Services of other agencies.....	12	7	7
26 Supplies and materials.....	31	27	28
31 Equipment.....	58	39	46
Total obligations.....	3,518	3,645	3,800

Personnel Summary

Total number of permanent positions.....	409	408	426
Full-time equivalent of other positions.....	3	3	3
Average number of all employees.....	392	402	420
Number of employees at end of year.....	413	410	430
Average GS grade.....	8.4	8.5	8.5
Average GS salary.....	\$7,664	\$7,744	\$7,807

OFFICE OF THE GENERAL COUNSEL—Continued

ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments from other accounts are included in the schedule of the parent appropriations as follows:
 "Conservation reserve," Agricultural Stabilization and Conservation Service.
 "Emergency credit revolving fund," Farmers Home Administration.

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous services to other accounts (total program costs—obligations).....	8	2	2
Financing:			
Advances and reimbursements from—			
Other accounts.....	5	—	—
Non-Federal sources (40 U.S.C. 481(c))....	3	2	2
Total financing.....	8	2	2

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions.....	4	—	—
12 Personnel benefits.....	1	—	—
31 Equipment.....	3	2	2
Total obligations.....	8	2	2

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	1	—	—
Average number of all employees.....	1	—	—
Number of employees at end of year.....	0	—	—
Average GS grade.....	8.4	—	—
Average GS salary.....	\$7,664	—	—

OFFICE OF INFORMATION

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, [\$1,590,500] \$1,610,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-three thousand and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U.S.C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a). (5 U.S.C. 511-512; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Publications review and distribution.....	785	722	734
2. Review and distribution of current agricultural information.....	542	574	581
3. Review, preparation, and distribution of visual agricultural information.....	258	295	295
Total program costs ¹	1,585	1,590	1,610
Change in selected resources ²	—39	—	—
Total obligations.....	1,546	1,590	1,610
Financing:			
Unobligated balance lapsing.....	2	—	—
New obligational authority (appropriation)	1,548	1,590	1,610

¹ Includes capital outlay as follows: 1961, \$12 thousand; 1962, \$12 thousand; 1963, \$12 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961 adjustments	1961	1962	1963
Publications consigned to Government Printing Office.....	159	—	157	157	157
Unpaid undelivered orders.....	298	—13	248	248	248
Total selected resources.....	457	—13	405	405	405

The Office has responsibility for the information work of the entire Department. Its major objective is to report to farmers, agricultural and closely related groups, and to the public the Department's research, action, regulatory, and other programs, using all information media. This work is carried on in close cooperation with the land-grant colleges and with private industries which serve agriculture. Workload depends upon Department program demands, direct requests, and legislative requirements.

1. *Publications review and distribution.*—The Department publications, both printed and processed, are reviewed for policy clearance and control. Publications include farmers' bulletins, leaflets, periodicals, scientific, research, and marketing publications, and agricultural statistics.

2. *Review and distribution of current agricultural information.*—The Department's activities require the issuance of about 3,600 periodic crop, price, and market reports and press releases annually. Special information is furnished to national magazines, encyclopedic annuals, and trade publications. Digests, newsletters, and other services are made available to press associations, daily newspapers, and farm publications. Part 2 of the Secretary's annual report, known as the Yearbook of Agriculture, is published by the Office and distributed by Members of Congress. Radio is used to reach farmers locally and to broadcast regular weekly programs on major networks. Television package programs are prepared for use of land-grant colleges and television farm broadcasters.

3. *Review, preparation, and distribution of visual agricultural information.*—Motion pictures for the Department and private industries which serve agriculture, produced on a reimbursable basis under the Department's Working capital fund, are distributed through nearly 75 cooperating State film libraries. Still photographs, illustrations, and graphics are similarly produced. News and general-type photographs of Department programs and activities are available from a centralized library. Exhibits are produced and supplied to State extension workers for their use in State exhibit showings.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	784	818	818
Positions other than permanent.....	10	10	10
Other personnel compensation.....	17	13	13
Total personnel compensation.....	811	841	841
12 Personnel benefits.....	60	62	62
21 Travel and transportation of persons.....	11	15	15
22 Transportation of things.....	3	3	3
23 Rent, communications, and utilities.....	81	81	81
24 Printing and reproduction.....	528	533	533
25 Other services.....	7	7	7
Services of other agencies.....	19	22	22
26 Supplies and materials.....	14	15	15
31 Equipment.....	12	12	31
Total obligations.....	1,546	1,590	1,610

Personnel Summary

Total number of permanent positions.....	131	136	136
Full-time equivalent of other positions.....	2	2	2
Average number of all employees.....	121	127	126
Number of employees at end of year.....	137	144	144
Average GS grade.....	7.5	7.5	7.5
Average GS salary.....	\$6,722	\$6,752	\$6,814

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allotments and allocations from other accounts are included in the schedules of the parent appropriations as follows:
 "Great Plains conservation program," Soil Conservation Service.
 "Agency for International Development," funds appropriated to the President.
 "Working capital fund, Department of Agriculture."
 "Emergency fund for the President, National Defense."

Intragovernmental funds:

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Review, preparation, and distribution of visual agricultural information.....	81	80	80
2. Centennial observance of agriculture.....	22	140	50
3. International agricultural fairs.....	67	25	25
4. Miscellaneous services to other accounts.....	1	1	1
Total program costs—obligations.....	171	246	156
Financing:			
Advances and reimbursements from—			
Other accounts.....	162	236	146
Non-Federal sources.....	9	10	10
Total financing.....	171	246	156

Note.—Reimbursements from non-Federal sources are derived from the sale of reproductions (7 U.S.C. 1387) and proceeds from the sale of personal property being replaced (40 U.S.C. 481(c)).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	88	72	72
Other personnel compensation.....	3	3	3
Total personnel compensation.....	91	75	75
12 Personnel benefits.....	6	5	5
21 Travel and transportation of persons.....	1	5	4
22 Transportation of things.....	1	2	1

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
23 Rent, communications, and utilities.....	1	2	1
24 Printing and reproduction.....	26	30	15
25 Other services.....	13	15	15
Services of other agencies.....	17	91	27
26 Supplies and materials.....	15	20	12
31 Equipment.....	-----	1	1
Total obligations.....	171	246	156

Personnel Summary

Total number of permanent positions.....	8	8	8
Average number of all employees.....	11	8	8
Number of employees at end of year.....	7	8	8
Average GS grade.....	7.5	7.5	7.5
Average GS salary.....	\$6,722	\$6,752	\$6,814

[CENTENNIAL OBSERVANCE OF AGRICULTURE]

Current authorizations:

[SALARIES AND EXPENSES]

[For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); \$100,000, including not to exceed \$20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962.] (*Department of Agriculture and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Coordination with trade, industry and commodity groups.....		55	25
2. Additional printing costs of 1962 Yearbook of Agriculture.....		20	-----
Total program costs.....		75	25
Change in selected resources ¹		5	—5
Total obligations.....		80	20
Financing:			
Unobligated balance brought forward.....		-----	—20
Unobligated balance carried forward.....		20	-----
New obligational authority (appropriation).....		100	-----

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1961, \$0; 1962, \$5 thousand; 1963, \$0.

This nonrecurring appropriation provides for planning and carrying out activities related to the centennial observance of the establishment of the Department of Agriculture and the founding of the land-grant colleges in 1862.

1. *Coordination with trade, industry, and commodity groups.*—A program for the participation by agricultural trade, industry, and commodity groups in the centennial observance is being developed and coordinated by the Department of Agriculture. This part of the centennial observance is in addition to, and coordinated with, centennial activities being carried out directly by the Department, the land-grant institutions, and other governmental agencies. The trade, industry, and com-

[CENTENNIAL OBSERVANCE OF AGRICULTURE]—Continued

Current authorizations—Continued

[SALARIES AND EXPENSES]—Continued

modity groups are financing the costs of the activities in which they participate.

2. *Additional printing costs of the 1962 Yearbook of Agriculture.*—The 1962 Yearbook of Agriculture commemorates the centennial year since the establishment of the Department of Agriculture. In dealing with the Department's role in agriculture over the past century, the higher costs of the yearbook, above those provided under Salaries and expenses, Office of Information, will be paid from this item.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....		25	13
Positions other than permanent.....		1	
Total personnel compensation.....		26	13
12 Personnel benefits.....		2	1
21 Travel and transportation of persons.....		8	2
23 Rent, communications, and utilities.....		8	2
24 Printing and reproduction.....		16	2
25 Other services.....		18	
26 Supplies and materials.....		1	
31 Equipment.....		1	
Total obligations.....		80	23

Personnel Summary

Total number of permanent positions.....	3	3
Average number of all employees.....	3	1
Number of employees at end of year.....	3	0
Average GS grade.....	10.7	10.7
Average GS salary.....	\$8,389	\$8,389

NATIONAL AGRICULTURAL LIBRARY

Current authorizations:

SALARIES AND EXPENSES

For necessary expenses [including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, \$1,028,500] of the *National Agricultural Library, \$1,220,000.* (5 U.S.C. 83, 511-512, 514, 516, 552a; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Agricultural library services (total program costs) ¹	945	1,028	1,220
Change in selected resources ²	3		
Total obligations.....	948	1,028	1,220
Financing:			
Unobligated balance lapsing.....	3		
New obligational authority (appropriation).....	951	1,028	1,220

¹ Includes capital outlay as follows: 1961, \$8 thousand; 1962, \$5 thousand; 1963, \$5 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$17 thousand (1961 adjustments — \$1 thousand); 1961, \$19 thousand; 1962, \$19 thousand; 1963, \$19 thousand.

The National Agricultural Library, cooperating jointly with the two other national libraries—the Library of Congress and the National Library of Medicine—provides coverage and servicing of world-wide publications in the agricultural, chemical, and biological sciences. It serves the research, extension, regulatory, and other programs of the Department and State agricultural agencies. It contains approximately 1,186 thousand volumes, probably the most extensive agricultural collection in existence. Since the Library's primary purpose is to provide for research needs, substantive publications in the animal sciences, plant sciences, agricultural chemistry, agricultural engineering, soils, forestry, agricultural products, home economics, world sociology, agricultural economics, and agricultural statistics are acquired and preserved. Publications are regularly acquired from more than fifty countries on subjects ranging from apiculture to zootomy. In addition, printed information of agricultural societies, organizations, cooperatives, and general material in the field of agriculture are collected and made available for use.

Information contained in the agricultural literature is disseminated through bibliographies, loans, photocopies and reference services to agricultural colleges and universities, research institutions, Government agencies, agricultural associations, industry, individual scientists, farmers, and the general public in every part of the world.

During 1961, 15,672 volumes and 221,275 separate issues of periodicals were added to the collection by purchase, gift, and exchange. During the same period 227,635 loans of books and periodicals were made and 86,392 reference questions answered.

The increase proposed for 1963 would be used to improve specialized library-documentation services to agricultural scientists.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	751	822	935
Positions other than permanent.....	9	5	5
Other personal compensation.....	4		
Total personnel compensation.....	764	827	940
12 Personnel benefits.....	57	63	72
21 Travel and transportation of persons.....	3	5	10
23 Rent, communications, and utilities.....	11	11	12
24 Printing and reproduction.....	16	17	34
Binding.....	30	34	58
25 Other services.....	2	2	2
Services of other agencies.....	4	6	6
26 Supplies and materials.....	9	9	10
31 Equipment.....	52	54	76
Total obligations.....	948	1,028	1,220

Personnel Summary

Total number of permanent positions.....	164	162	182
Full-time equivalent of other positions.....	2	1	1
Average number of all employees.....	132	134	152
Number of employees at end of year.....	138	150	173
Average GS grade.....	6.2	6.7	6.6
Average GS salary.....	\$5,611	\$5,990	\$5,973

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations, as follows:

“Agency for International Development,” funds appropriated to the President.

“Working capital fund, Department of Agriculture.”

Intragovernmental funds:**ADVANCES AND REIMBURSEMENTS****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Agricultural library services (includes Departments of Agriculture, Health, Education, and Welfare, Farm Credit Administration, and National Science Foundation) (total program costs) ¹ -----	106	115	87
Change in selected resources ² -----	2	-----	-----
Total obligations -----	108	115	87
Financing:			
Advances and reimbursements from other accounts-----	108	115	87

¹ Includes capital outlay as follows: 1961, \$1 thousand.² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$5 thousand; 1961, \$7 thousand; 1962, \$7 thousand; 1963, \$7 thousand.**Object Classification (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions-----	77	75	72
Positions other than permanent-----	12	16	-----
Total personnel compensation -----	89	91	72
12 Personnel benefits -----	6	6	5
21 Travel and transportation of persons -----	-----	2	-----
24 Printing and reproduction -----	3	3	1
26 Supplies and materials -----	-----	1	1
31 Equipment -----	10	12	8
Total obligations -----	108	115	87

Personnel Summary

Total number of permanent positions-----	19	15	14
Full-time equivalent of other positions-----	1	2	-----
Average number of all employees-----	16	17	14
Number of employees at end of year-----	15	17	14
Average GS grade-----	5.0	5.5	5.6
Average GS salary-----	\$5,003	\$5,281	\$5,451

[OFFICE OF THE SECRETARY]**GENERAL ADMINISTRATION****Current authorizations:****SALARIES AND EXPENSES**

For necessary expenses of the Office of the Secretary of Agriculture [;] and for general administration of the Department of Agriculture, including expenses of the National Agricultural Advisory Commission; [stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels,] repairs and alterations; and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, [\$3,096,000] \$3,698,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by the Administrative Procedures Act (5 U.S.C. 1001): *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary. (5 U.S.C. 511-517; secs. 511-512—establishing the Department of Agriculture, which was implemented by the Act of July 24, 1919 (5 U.S.C. 563-564), apply to all appro-

priation items of the Department which are based upon specific legislative authority either incorporated in the language of the item or cited immediately thereunder; 5 U.S.C. 520a, 542-1, 543b, 1001, 2131; Department of Agriculture and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Program and policy direction-----	653	651	857
2. Rural areas development-----	-----	-----	100
3. Personnel administration and service-----	772	777	816
4. Budgetary and financial administration and service-----	704	713	846
5. General operations-----	743	749	749
6. Management appraisal and systems development-----	-----	-----	124
7. Regulatory hearings and decisions-----	177	179	179
8. National Agricultural Advisory Commission-----	6	27	27
Total program costs ¹ -----	3,055	3,096	3,698
Change in selected resources ² -----	5	-----	-----
Total obligations -----	3,060	3,096	3,698
Financing:			
Unobligated balance lapsing-----	20	-----	-----
New obligational authority (appropriation) -----	3,080	3,096	3,698

¹ Includes capital outlay as follows: 1961, \$22 thousand; 1962, \$8 thousand; 1963, \$32 thousand.² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$10 thousand (1961 adjustments, -\$4 thousand); 1961, \$11 thousand; 1962, \$11 thousand; 1963, \$11 thousand

General administration covers the overall planning, coordination and administration of the Department's programs. Also included are certain services on a departmentwide basis. Increases are provided in the budget to strengthen the staffs of the Office of the Secretary, and several of the service functions, as well as to operate the newly established Office of Rural Areas Development and Office of Management Appraisal and Systems Development.

2. *Rural areas development.*—This covers leadership of Department agencies and the coordination of other agencies of the executive branch with public and private organizations in the rural areas development program to improve economic conditions in rural areas.

3. *Personnel administration and service.*—Departmental policies and procedures are promulgated for the personnel management program. The operational phases of this program have been substantially delegated to the agencies. A systematic review is conducted to insure unification thereof and to measure its effectiveness in serving the agencies' personnel management requirements.

4. *Budgetary and financial administration and service.*—This covers departmental budgetary and financial management, including internal audit and related activities; policies and procedures are promulgated, and programs and legislative proposals are evaluated for budgetary, financial, and related implications.

5. *General operations.*—These embrace departmental policies and procedures for real and personal property, and supply management, paperwork activities and administrative issuances. Administrative services are provided for the Office of the Secretary and staff offices, and central services of post office, telephone, telegraph, reproduction, and supply are furnished.

6. *Management appraisal and systems development.*—This covers the coordination and direction of the develop-

[OFFICE OF THE SECRETARY]—Continued **GENERAL ADMINISTRATION—Continued**

Current authorizations—Continued

SALARIES AND EXPENSES—Continued

ment of improved management techniques, utilization of data processing equipment, development of methods of measuring the effectiveness of program operations, and the application of operations research techniques to the administrative and program activities of the Department.

7. *Regulatory hearings and decisions.*—The hearing examiners hold hearings in connection with the prescribing of new regulations and orders and on disciplinary complaints filed by the Department or on petitions filed by private parties asking relief from some action of the Department. Final administrative decisions in regulatory proceedings are rendered by the judicial officer. "Agriculture Decisions" is published monthly.

8. *National Agricultural Advisory Commission.*—Provision is made for the payment of necessary expenses incident to periodic meetings of the National Agricultural Advisory Commission.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	2,481	2,571	3,021
Positions other than permanent.....	17	8	5
Other personnel compensation.....	23	12	12
Total personnel compensation.....	2,521	2,591	3,038
12 Personnel benefits.....	183	189	224
21 Travel and transportation of persons.....	98	132	191
22 Transportation of things.....	2		1
23 Rent, communications, and utilities.....	50	42	50
24 Printing and reproduction.....	85	76	89
25 Other services.....	9	6	10
Services of other agencies.....	60	34	42
26 Supplies and materials.....	25	18	23
31 Equipment.....	28	8	30
Total obligations.....	3,060	3,096	3,698

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	322	327	371
Full-time equivalent of other positions.....	3	1	1
Average number of all employees.....	308	316	359
Number of employees at end of year.....	313	318	362
Average GS grade.....	8.8	9.0	9.3
Average GS salary.....	\$7,913	\$8,095	\$8,322

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations and allotments from other accounts are included in the schedules of the parent appropriations, as follows:
 "Emergency fund for the President, National Defense."

Intragovernmental funds:

WORKING CAPITAL FUND, DEPARTMENT OF AGRICULTURE

This fund finances on a reimbursable basis certain central services in the Department of Agriculture, including duplicating, photographic, art and graphics, motion picture, tabulating, supply, and library photocopying

services. The capital consists of \$400 thousand appropriated (5 U.S.C. 542-1) and \$526 thousand donated assets, as of June 30, 1961. Earnings are retained to furnish adequate working capital.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Operating cost, funded:			
1. Supply and other central service programs:			
Cost of goods sold.....	393	412	412
Other.....	397	400	400
2. Reproduction services program:			
Cost of goods sold.....	336	366	366
Other.....	727	727	727
3. Motion picture, photographic and other visual information service program:			
Cost of goods sold.....	193	220	210
Other.....	1,030	1,022	1,032
Total operating costs, funded.....	3,076	3,147	3,147
Capital outlay:			
Purchase of equipment:			
1. Supply and other central service programs.....	15	1	1
2. Reproduction services program.....	29	15	15
3. Motion picture, photographic and other visual information services program.....	40	40	30
Total, capital outlay.....	84	56	46
Total, operating costs, funded, and capital outlay.....	3,161	3,203	3,193
Change in selected resources ¹	-34	-15	-10
Total obligations.....	3,127	3,188	3,183
Financing:			
Revenues and other receipts:			
1. Supplies and other central services:			
Revenue.....	818	823	823
2. Reproduction services: Revenue.....	1,107	1,110	1,110
3. Motion picture, photographic and other visual information services and United States Department of Agriculture publication: Revenue.....	1,258	1,270	1,270
Total, revenues and other receipts.....	3,183	3,203	3,203
Unobligated balance brought forward.....	200	255	271
Unobligated balance carried forward.....	-255	-271	-291
Financing applied to program.....	3,127	3,188	3,183

¹ Balances of selected resources are identified on the statement of financial condition.

Summary of Sources and Application of Funds (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Obligations (from program and financing).....	3,127	3,188	3,183
Decrease in gross unpaid obligations.....	1	29	18
Gross expenditures.....	3,129	3,217	3,201
Revenues and other receipts (from program and financing).....	3,183	3,203	3,203
Increase (—) or decrease in accounts receivable, net.....	-130	-4	-14
Applicable receipts.....	3,053	3,199	3,189
Budget expenditures.....	77	18	12

Revenue, Expense, and Retained Earnings (in thousands of dollars)			
	1961 actual	1962 estimate	1963 estimate
Supply and other central services program:			
Revenue.....	818	823	823
Expense.....	798	821	821
Net operating income, supply and other central services program.....	20	2	2
Reproduction services program:			
Revenue.....	1,107	1,110	1,110
Expense.....	1,104	1,110	1,110
Net operating income, reproduction services program.....	4		
Motion picture, photographic, and other visual information services program:			
Revenue.....	1,257	1,270	1,270
Expense.....	1,248	1,270	1,270
Net operating income, motion picture, photographic and other visual informa- tion services program.....	9		
Nonoperating loss: Net book value of assets sold (—).....	—1		
Net income for the year.....	32	2	2
Analysis of retained earnings: Retained earn- ings, start of year.....	79	111	113
Retained earnings, end of year.....	111	113	115

Financial Condition (in thousands of dollars)				
	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	378	301	285	273
Accounts receivable, net.....	410	540	544	558
Selected assets: ¹				
Advances.....	3	4	4	4
Commodities for sale.....	275	286	267	257
Supplies, deferred charges, etc.....	20	17	17	17
Fixed assets, net.....	373	385	388	380
Total assets.....	1,458	1,535	1,504	1,488
Liabilities:				
Current.....	456	498	466	448
Government equity:				
Non-interest-bearing capital:				
Start of year.....	923	923	925	925
Donated assets, net.....		3		
End of year.....	923	925	925	925
Retained earnings.....	79	111	113	115
Total Government equity.....	1,002	1,036	1,038	1,040

Analysis of Government Equity (in thousands of dollars)				
	1960 actual	1961 actual	1962 estimate	1963 estimate
Unpaid undelivered orders ¹	132	89	92	92
Unobligated balance.....	200	255	271	291
Invested capital and earnings.....	670	694	675	657
Total Government equity.....	1,002	1,036	1,038	1,040

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)			
	1961 actual	1962 estimate	1963 estimate
GENERAL ADMINISTRATION			
11 Personnel compensation:			
Permanent positions.....	761	777	777
Other personnel compensation.....	26	23	23
Add excess of annual leave earned over leave taken.....	5		
Total personnel compensation.....	792	800	800
12 Personnel benefits.....	58	60	60
21 Travel and transportation of persons.....	1	1	1
22 Transportation of things.....	1	1	1
23 Rent, communications, and utilities.....	135	136	136
24 Printing and reproduction.....	48	50	50
25 Other services.....	5	6	6
Services of other agencies.....	7	7	7
26 Supplies and materials.....	725	775	775
31 Equipment.....	60	15	15
Total.....	1,832	1,851	1,851
ALLOTMENT ACCOUNTS			
11 Personnel compensation:			
Permanent positions.....	744	744	744
Positions other than permanent.....	4	4	4
Other personnel compensation.....	23	14	14
Deduct excess of annual leave taken over leave earned.....	4		
Total personnel compensation.....	767	762	762
12 Personnel benefits.....	55	55	55
21 Travel and transportation of persons.....	21	23	23
22 Transportation of things.....	3	3	3
23 Rent, communications, and utilities.....	5	5	5
24 Printing and reproduction.....	13	15	15
25 Other services.....	202	226	231
Services of other agencies.....	3	3	3
26 Supplies and materials.....	183	204	204
31 Equipment.....	43	41	31
Total allotment accounts.....	1,295	1,337	1,332
Total obligations.....	3,127	3,188	3,183
Obligations are distributed as follows:			
General Administration.....	1,832	1,851	1,851
Office of Information.....	1,256	1,297	1,292
National Agricultural Library.....	39	40	40

Personnel Summary			
GENERAL ADMINISTRATION			
Total number of permanent positions.....	160	160	160
Average number of all employees.....	154	152	152
Number of employees at end of year.....	155	155	155
Average GS grade.....	4.3	4.3	4.3
Average GS salary.....	\$4,958	\$4,968	\$4,976
Average salary of ungraded positions.....	\$4,965	\$5,194	\$5,200
ALLOTMENT ACCOUNTS			
Total number of permanent positions.....	115	115	115
Full-time equivalent of other positions.....	1	1	1
Average number of all employees.....	113	113	113
Number of employees at end of year.....	119	113	113
Average GS grade.....	7.8	7.8	7.8
Average GS salary.....	\$6,673	\$6,714	\$6,812

[OFFICE OF THE SECRETARY]—Continued
GENERAL ADMINISTRATION—Continued

Intragovernmental funds—Continued

ADVANCES AND REIMBURSEMENTS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Miscellaneous services to other accounts:			
Department of Agriculture.....	22	31	31
Other agencies.....	6	5	5
2. For expenses of Department of Agriculture agencies in carrying out responsibilities and authorities delegated under Area Redevelopment Act. (Department of Commerce).....		1,025	250
Total program costs—obligations.....	28	1,061	286
Financing:			
Advances and reimbursements from other accounts.....	28	1,061	286

Object Classification (in thousands of dollars)

11 Personnel compensation: Permanent positions.....	13	519	175
12 Personnel benefits.....	1	40	13
21 Travel and transportation of persons.....	13	144	70
22 Transportation of things.....		2	1
23 Rent, communications, and utilities.....		8	3
24 Printing and reproduction.....	1	24	12
25 Other services.....		14	
Services of other agencies.....		300	6
26 Supplies and materials.....		4	2
31 Equipment.....		6	4
Total obligations.....	28	1,061	286

Personnel Summary

Total number of permanent positions.....	2	164	23
Average number of all employees.....	1	56	22
Number of employees at end of year.....	0	161	21
Average GS grade.....	11.9	10.7	11.5
Average GS salary.....	\$11,567	\$9,488	\$10,593

FOREST SERVICE

The Service carries on three primary functions: (a) protection, development, and use of about 186 million acres of land in national forests and national grasslands in the United States and Puerto Rico; (b) research for all public and private forest lands and related ranges to improve protection from fire, insects, and diseases; to increase production of timber, forage, water and other products; to improve methods for developing and managing recreation resources; to develop better utilization and marketing of forest products; and to maintain a current inventory of forest resources through a nationwide forest survey; and (c) cooperation with States and private forest landowners to obtain better fire protection on approximately 435 million acres of forest lands and better forest practices on about 345 million acres of privately owned commercial timberlands, to encourage reforestation and stimulate development and management of State, county, and community forests. These primary functions include construction and maintenance of roads and trails,

control of forest pests, protection against floods, land acquisition and exchange, and a number of cooperative projects.

Current authorizations:

FOREST PROTECTION AND UTILIZATION

For expenses necessary for forest protection and utilization, as follows:

Forest land management: For necessary expenses of the Forest Service, not otherwise provided for, including the administration, improvement, development, and management of lands under Forest Service administration, fighting and preventing forest fires on or threatening such lands and for liquidation of obligations incurred in the preceding fiscal year for such purposes, control of white pine blister rust and other forest diseases and insects on Federal and non-Federal lands; **[\$128,000,000] \$140,740,000**, of which \$5,000,000 for fighting and preventing forest fires and \$1,910,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions: *Provided*, That not more than **[\$300,000] \$500,000** may be used for acquisition of land under the Act of March 1, 1911, as amended (16 U.S.C. 513-519): *Provided further*, That funds appropriated for "Cooperative range improvements", pursuant to section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), may be advanced to this appropriation.

Forest research: For forest research at forest and range experiment stations, the Forest Products Laboratory, or elsewhere, as authorized by law; **[\$26,368,000] \$23,150,000**.

State and private forestry cooperation: For cooperation with States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, and for advising timberland owners, associations, wood-using industries, and others in the application of forest management principles and processing of forest products, as authorized by law; **\$15,800,000**. (5 U.S.C. 511-512, 524, 565a; 7 U.S.C. 428a, 1010-1012, 1621-1627; 16 U.S.C. 471-583i, 594-1-594-5, 594a; 30 U.S.C. 601-604, 611-615; 31 U.S.C. 534; 43 U.S.C. 1181h-1181j; 36 Stat. 557; 75 Stat. 319; Department of Interior and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Forest land management:			
(a) National forest protection and management.....	83,774	113,038	124,840
(b) Fighting forest fires.....	38,350	2,162	5,000
(c) Insect and disease control.....	7,352	9,350	10,750
(d) Acquisition of lands.....	126	300	500
Total, forest land management.....	129,603	124,850	141,090
2. Forest research:			
(a) Forest and range management.....	8,633	9,737	10,214
(b) Forest protection.....	3,267	4,344	4,729
(c) Forest products and engineering.....	3,359	4,477	4,717
(d) Forest resources.....	2,193	2,615	2,740
(e) Forest research construction.....	355	1,450	4,865
Total, forest research.....	17,808	22,623	27,265
3. State and private forestry cooperation:			
(a) Forest fire control.....	10,099	12,466	12,466
(b) Forest tree planting.....	274	296	296
(c) Forest management and processing.....	1,512	2,500	2,500
(d) General forestry assistance.....	423	538	538
Total, State and private forestry cooperation.....	12,307	15,800	15,800
Total program costs for year's program.....	159,718	163,273	184,155
4. Repayment to "Expenses, brush disposal" of prior year's advance for fighting forest fires.....	799	2,838	
Total program costs ¹.....	160,517	166,111	184,155

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Program by activities—Continued			
Change in selected resources ² -----	2,444	4,398	-3,765
Total obligations-----	162,961	170,509	180,390
Financing:			
Advances and reimbursements from—			
Cooperative range improvements-----	-700	-700	-700
Expenses, brush disposal-----	-2,838		
Unobligated balance lapsing-----	253		
New obligational authority-----	159,676	169,809	179,690
New obligational authority:			
Appropriation-----	159,676	170,168	179,690
Transferred to "Operating expenses, Public Buildings Service," General Services Administration (75 Stat. 353)-----		-359	
Appropriation (adjusted)-----	159,676	169,809	179,690

¹ Includes capital outlay as follows: 1961, \$17,606 thousand; 1962, \$30,000 thousand; 1963, \$43,065 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961	1962	1963
Stores-----	2,344	2,770	3,000	3,200
Unpaid undelivered orders-----	4,494	6,482	10,565	6,500
Advances-----	103	115	200	300
Total selected resources-----	6,941	9,367	13,765	10,000

1. *Forest land management*—(a) *National forest protection and management*.—The 155 national forests and 18 units of national grasslands are managed under multiple use and sustained yield principles. The natural resources of outdoor recreation, range, timber, watershed, and wildlife are utilized in a planned combination that will best meet the needs of the Nation without impairing productivity of the land. These management and utilization principles were recognized in the Multiple Use-Sustained Yield Act of June 12, 1960 (Public Law 86-517, 74 Stat. 215). Work programs and budget estimates are related to the Development Program for the National Forests, a plan to meet the increasing demands for specific national forest resource needs during the next 10 years and for long-term objectives to the year 2000. Increases are provided in the budget to further attainment of these program objectives. Construction funds of \$18.4 million in 1962 and \$22.5 million in 1963 are budgeted, compared with \$10.3 million used in 1961, for construction or rehabilitation of campground and picnic facilities and other recreation improvements, the construction of dwellings or barracks for employee housing, fire lookouts, service and storage buildings, communication facilities, and other improvements. Funds appropriated under Cooperative range improvements are merged with this appropriation for obligational purposes.

MAIN WORKLOAD FACTORS

Description	1961 actual	1962 estimate	1963 estimate
Area administered and protected:			
(a) National forest lands (acres)---	182,173,441	182,225,000	182,300,000
(b) National grasslands (acres)---	3,818,862	3,820,000	3,825,000
(c) Land utilization projects (acres)-----	392,607	392,000	392,000
Timber managed and protected (saw-timber—billion board feet)-----	880	880	880
Timber sales (number)-----	50,164	54,000	58,000
Timber harvested (billion board feet)-----	8.4	9.5	9.7
Grazing use permits (calendar year)---	35,763	35,763	35,763
Estimated number of livestock on national forest ranges (including calves and lambs)-----	6,000,000	6,000,000	6,000,000

MAIN WORKLOAD FACTORS—Continued

	1961 actual	1962 estimate	1963 estimate
Special use permits, excluding recreation (number)-----	37,069	38,180	39,430
Recreation special use permits (number)-----	22,787	23,930	25,120
Estimated number of visitors to national forests (calendar year)-----	92,594,000	102,000,000	115,000,000
Tree planting and seeding (acres)-----	57,484	102,500	122,500
Timber stand improvement (acres treated)-----	75,881	276,000	347,500
Range reseeding and removal of competing vegetation (acres)-----	148,011	213,000	223,000
Receipts (thousands of dollars):			
Timber sales-----	98,425	114,000	121,000
Grazing-----	3,268	3,300	3,300
Land uses-----	2,729	2,900	3,000
National grasslands-----	1,678	1,700	1,700
Total receipts-----	106,100	121,900	129,000

(b) *Fighting forest fires*.—This provides for employment of additional manpower and other facilities for forest fire emergencies which cannot be met by the fire control organization provided under national forest protection and management. Costs above the amounts estimated for the current and budget years are authorized to be met from advances from other Forest Service appropriations (repayments of such advances were made in 1961 and 1962 to Expenses, brush disposal). In addition, a supplemental appropriation for fighting forest fires is anticipated for separate transmittal.

	1961 actual	1962 estimate	1963 estimate
Forest fires controlled (number)-----	13,736	14,750	13,500
Area burned (acres)-----	430,092	262,900	254,600

(c) *Insect and disease control*.—Activities to suppress and control destructive insects and diseases that threaten timber areas include two types of work carried on jointly by Federal, State, and private agencies: (1) Surveys on forest lands to detect and evaluate infestations of forest insects and infections of tree diseases and determination of protective measures to be taken, and (2) control operations to suppress or eradicate forest insects and diseases, including white pine blister rust. In addition, a supplemental appropriation for insect and disease control is anticipated for separate transmittal.

(d) *Acquisition of lands*.—Lands are purchased to protect the watersheds of navigable streams and to increase the production of timber with the approval of the National Forest Reservation Commission. The present program is only for purchase of small tracts within the 55 approved purchase areas.

2. *Forest research*.—Research is conducted at ten regional forest experiment stations, the Forest Products Laboratory, and elsewhere.

(a) *Forest and range management*.—This research provides private and public land managers and owners with a sound basis for management of timber, forage, and watershed lands. Studies are conducted to maintain a sustained yield of products at the lowest possible costs; increase forage for domestic livestock and improve habitat for wildlife without damage to soil, watershed, or other values; assure maximum regular flow of usable water, and reduce floods and sedimentation; and improve methods for developing and managing recreation resources.

(b) *Forest protection*.—Research is conducted to develop sound measures for the protection of forests from damage by fire, insects, and diseases. Forest fire research provides

FOREST SERVICE—Continued**Current authorizations—Continued****FOREST PROTECTION AND UTILIZATION—Continued**

improved methods of predicting fire danger, and preparing for and combating fire by combinations of ground and aerial methods. Insect and disease research develops direct controls, silvicultural measures, and biological agents to combat forest pests.

(c) *Forest products and engineering.*—Studies are conducted to develop new and improved forest products, reduction and utilization of waste, and use of low-quality wood and less-desirable species. They include studies to reduce costs of logging and wood utilization, and to develop basic knowledge of wood and disseminate this to forest owners, manufacturers, fabricators, and consumers. Research is also conducted to advance the mechanization and efficiency of forestry operations, and to develop and evaluate machines and similar equipment for such operations as logging, planting, timber-stand improvement, and protection of forests.

(d) *Forest resources.*—These investigations are conducted to inventory and appraise the condition of forest lands, volume and quality of standing timber, ownership of timber resources, annual growth and depletion, and the potential need for timber products. Studies of the economics of forest crop production and of marketing of forest products are also included.

MAIN WORKLOAD FACTORS

(Acres in millions)

	1961 actual	1962 estimate	1963 estimate
Initial surveys (annual).....	36	35	35
Initial surveys (cumulative since 1930)....	612	647	682
To be resurveyed (total) ¹	153	118	83
Resurveys (annual).....	40	35	35

¹ Includes all of Alaska and Hawaii.

(e) *Forest research construction.*—Auxiliary facilities and scientific research equipment are provided for research laboratories.

3. *State and private forestry cooperation.*—This program, carried on in cooperation with the States, encourages private timber management. Privately owned forest lands comprise three-fourths of the Nation's commercial forest area and produce about 85% of all timber cut.

(a) *Forest fire control.*—Assistance is furnished 49 States in preventing and suppressing forest fires on private and State owned lands by financial aid, training, procurement of equipment, and a nationwide fire prevention campaign. About 92% of the 435 million acres of non-Federal ownership is now partially covered. During 1960 the acreage burned on protected areas was 0.47% as against an estimated 6.08% on unprotected lands. Of the total expenditures under this program, 81% is contributed by States and counties, 3% by private owners, and 16% by the Federal Government.

(b) *Forest tree planting.*—To encourage woodland owners to reforest unproductive portions of their holdings, and farmers to plant wind barriers around their fields and farmsteads—a total of more than 46 million acres altogether—the States provide planting stock at less than cost. The Federal Government shares the cost of producing the stock with the State and private landowners.

(c) *Forest management and processing.*—In cooperation with State foresters, 483 projects in 2,197 counties are operated to aid small woodland owners in applying good management to their timber holdings. In 1961 these projects served some 89,255 owners and 4.6 million acres.

(d) *General forestry assistance.*—Technical forest management assistance is provided to State, community, private, and other Federal agencies, forest industries, colleges, and landowners.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
FOREST SERVICE			
11 Personnel compensation:			
Permanent positions.....	60,337	70,192	72,819
Positions other than permanent.....	16,372	21,590	25,597
Other personnel compensation.....	14,040	2,119	2,138
Total personnel compensation.....	90,749	93,901	100,554
12 Personnel benefits.....	5,398	6,438	6,766
21 Travel and transportation of persons.....	5,233	5,852	6,186
22 Transportation of things.....	5,932	5,488	5,714
23 Rent, communications, and utilities.....	3,404	2,810	3,313
24 Printing and reproduction.....	1,094	1,321	1,369
25 Other services.....	15,186	10,226	13,863
Services of other agencies.....	2,677	1,498	1,611
26 Supplies and materials.....	13,553	11,388	14,105
31 Equipment.....	4,250	4,711	5,808
32 Lands and structures.....	4,144	9,933	7,041
41 Grants, subsidies, and contributions.....	11,041	14,566	14,566
42 Insurance claims and indemnities.....	121	37	37
44 Refunds.....	804	2,842	4
Subtotal.....	163,586	171,011	180,937
Deduct quarters and subsistence charges.....	1,274	1,218	1,300
Total, Forest Service.....	162,312	169,793	179,637
ALLOCATION TO DEPARTMENT OF THE INTERIOR			
11 Personnel compensation:			
Permanent positions.....	87	94	101
Positions other than permanent.....	236	319	382
Other personnel compensation.....	32	26	18
Total personnel compensation.....	355	439	501
12 Personnel benefits.....	15	18	22
21 Travel and transportation of persons.....	15	19	21
22 Transportation of things.....	3	3	3
23 Rent, communications, and utilities.....	6	6	6
25 Other services.....	129	108	79
26 Supplies and materials.....	93	94	98
31 Equipment.....	33	29	23
Total, Department of the Interior.....	649	716	753
Total obligations.....	162,961	170,509	180,390

Personnel Summary

FOREST SERVICE			
Total number of permanent positions.....	10,893	12,188	12,683
Full-time equivalent of other positions.....	6,387	5,493	6,568
Average number of all employees.....	15,906	16,390	17,910
Number of employees at end of year.....	21,563	25,183	28,903
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143
Average salary of ungraded positions.....	\$4,783	\$5,045	\$5,045
ALLOCATION TO DEPARTMENT OF THE INTERIOR			
Total number of permanent positions.....	13	13	14
Full-time equivalent of other positions.....	56	68	77
Average number of all employees.....	75	87	98
Number of employees at end of year.....	229	254	265
Average GS grade.....	7.0	7.8	7.2
Average GS salary.....	\$5,918	\$6,215	\$5,987
Average salary of ungraded positions.....	\$4,784	\$5,090	\$5,090

Proposed for separate transmittal:

FOREST PROTECTION AND UTILIZATION

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Forest land management:			
(b) Fighting forest fires.....		36,000	
(c) Insect and disease control.....		1,000	
Total program costs—obligations.....		37,000	
Financing:			
New obligational authority (proposed supplemental appropriation).....		37,000	

Under existing legislation, 1962.—A supplemental appropriation for 1962 is anticipated for: Fighting forest fires, \$36 million; Insect and disease control, \$1 million.

FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For expenses necessary for carrying out the provisions of title 23, United States Code, sections 203 and 205, relating to the construction and maintenance of forest development roads and trails, **["\$35,000,000"] \$37,500,000**, to remain available until expended, for liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203: *Provided*, That funds available under the Act of March 4, 1913 (16 U.S.C. 501), shall be merged with and made a part of this appropriation: *Provided further*, That not less than the amount made available under the provisions of the Act of March 4, 1913, shall be expended under the provisions of such Act. (5 U.S.C. 565a; 23 U.S.C. 125; Department of Interior and Related Agencies Appropriation Act, 1962.)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Construction of roads and trails.....	34,038	36,913	37,700
2. Maintenance of roads and trails.....	11,673	11,000	11,300
Total program costs ¹	45,711	47,913	49,000
Change in selected resources ²	-2,245	700	100
Total obligations.....	43,466	48,613	49,100
Financing:			
Unobligated balance brought forward (contract authorization).....	-30,393	-36,093	-37,500
Unobligated balance carried forward (contract authorization).....	36,093	37,500	
New obligational authority.....	49,166	50,020	11,600
New obligational authority:			
Contract authorization (23 U.S.C. 203).....	35,000	40,000	
Permanent indefinite appropriation (16 U.S.C. 501).....	14,166	10,020	11,600

¹ Includes capital outlay as follows: 1961, \$29,535 thousand; 1962, \$30,793 thousand; 1963, \$31,671 thousand.

² Selected resources as of June 30 are as follows:

	1960	1961	1962	1963
Unpaid undelivered orders.....	8,355	6,118	6,818	6,918
Advances (payment for goods and services on order not yet received).....	8			
Total selected resources.....	8,363	6,118	6,818	6,918

Status of Unfunded Contract Authorization (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Unfunded balance brought forward.....	40,664	45,664	50,664
Permanent contract authorization.....	35,000	40,000	
Unfunded balance carried forward.....	-45,664	-50,664	-13,164
Appropriation to liquidate contract authorization.....	30,000	35,000	37,500

Roads and trails are essential to protection and management of national forests and the utilization of them for timber harvest, recreation, and other resources. The system consists of approximately 162,400 miles of earth- or gravel-surfaced roads and 106,500 miles of supplemental trails.

The Federal Highway Act of 1960, approved July 14, 1960, Public Law 86-657, provides authorizations of \$35 million for 1962 and \$40 million for 1963. These authorizations are available for obligation a year in advance of the year for which authorized; \$2.5 million of the 1963 authorization was approved for obligation in 1962. Only \$37.5 million contract authorization remains available for use in 1963. At this level the 1963 program will involve the construction and reconstruction of about 129 miles of general purpose roads and about 489 miles of timber access roads to harvest national forest timber, a total of approximately 618 miles. This compares with 694 miles built in 1961 and 526 being built in 1962.

Of the amounts received annually from national forest activities 10% is available under the permanent appropriation Roads and trails for States, for construction and maintenance within the State from which such proceeds are derived. Such amounts are merged with this appropriation for obligational purposes.

The budget contemplates that the authorization of \$40 million for 1963 in the Federal Highway Act will be increased to \$50 million to enable the Forest roads and trails program to be accelerated in balance with the attendant implementation of the Development program for the national forests. If this increase is enacted, a supplemental estimate for 1963 is anticipated for separate transmittal.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
FOREST SERVICE			
11 Personnel compensation:			
Permanent positions.....	14,482	15,871	16,048
Positions other than permanent.....	6,634	7,647	7,733
Other personnel compensation.....	550	628	635
Total personnel compensation.....	21,666	24,146	24,416
12 Personnel benefits.....	1,413	1,571	1,589
21 Travel and transportation of persons.....	1,219	1,349	1,364
22 Transportation of things.....	1,654	1,781	1,801
23 Rent, communications, and utilities.....	747	791	800
24 Printing and reproduction.....	118	127	128
25 Other services.....	6,200	5,788	5,853
Services of other agencies.....	313	284	287
26 Supplies and materials.....	3,147	3,691	3,732
31 Equipment.....	996	995	1,006
32 Lands and structures.....	4,853	6,796	6,872
42 Insurance claims and indemnities.....	2	2	2
44 Refunds.....	1		
Subtotal.....	42,329	47,321	47,850

FOREST SERVICE—Continued**Current authorizations—Continued****FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORIZATION)—Continued****Object Classification (in thousands of dollars)—Continued**

	1961 actual	1962 estimate	1963 estimate
FOREST SERVICE—Continued			
Deduct quarters and subsistence charges.....	217	239	250
Total, Forest Service.....	42,112	47,082	47,600
ALLOCATION TO BUREAU OF PUBLIC ROADS			
11 Personnel compensation:			
Permanent positions.....	145	146	149
Positions other than permanent.....	33	33	33
Other personnel compensation.....	13	13	13
Total personnel compensation.....	190	192	195
12 Personnel benefits.....	14	14	14
21 Travel and transportation of persons.....	59	59	59
22 Transportation of things.....	11	11	11
23 Rent, communications, and utilities.....	3	3	3
25 Other services.....	4	4	4
Services of other agencies.....	122	122	122
26 Supplies and materials.....	1	1	1
32 Lands and structures.....	950	1,125	1,091
Total, Bureau of Public Roads.....	1,354	1,531	1,500
Total obligations.....	43,466	48,613	49,100

Personnel Summary

FOREST SERVICE			
Total number of permanent positions.....	2,646	2,865	2,896
Full-time equivalent of other positions.....	1,791	2,022	2,044
Average number of all employees.....	4,291	4,728	4,780
Number of employees at end of year.....	5,185	5,453	5,513
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143
Average salary of ungraded positions.....	\$4,783	\$5,045	\$5,045
ALLOCATION TO BUREAU OF PUBLIC ROADS			
Total number of permanent positions.....	100	100	100
Full-time equivalent of other positions.....	8	8	8
Average number of all employees.....	35	35	35
Number of employees at end of year.....	38	38	38
Average GS grade.....	8.5	8.5	8.5
Average GS salary.....	\$7,290	\$7,319	\$7,378

Proposed for separate transmittal:**FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORIZATION)****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Construction of roads and trails (total program costs—obligations).....			10,000
Financing:			
Unobligated balance brought forward (contract authorization).....			—10,000
Unobligated balance carried forward (contract authorization).....		10,000	
New obligational authority (proposed supplemental—contract authorization).....		10,000	

Status of Unfunded Contract Authorization (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Unfunded balance brought forward.....			10,000
Contract authorization.....		10,000	
Unfunded balance carried forward.....		—10,000	—3,500
Proposed supplemental appropriation to liquidate contract authorization.....			6,500

Under proposed legislation, 1963.—Legislation will be proposed to increase the 1963 Federal Highway Act authorization from \$40 million to \$50 million. If this additional \$10 million new obligational authority is granted, a supplemental appropriation for 1963 of \$6.5 million is anticipated to liquidate obligations incurred under this additional authorization.

ACCESS ROADS

For acquiring by condemnation or otherwise additional roads needed for access to national-forest lands in carrying out the Act of June 4, 1897, as amended (16 U.S.C. 471, 472, 475, 476, 551), \$2,000,000, to remain available until expended. (*Department of Interior and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Access roads (total program costs) ¹	1,819	2,151	2,000
Change in selected resources ²	30		
Total obligations.....	1,849	2,151	2,000
Financing:			
Unobligated balance brought forward.....	—1,000	—151	
Unobligated balance carried forward.....	151		
New obligational authority (appropriation).....	1,000	2,000	2,000

¹ Includes capital outlay as follows: 1961, \$1,819 thousand; 1962, \$2,116 thousand; 1963, \$1,967 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$0; 1961, \$30 thousand; 1962, \$30 thousand; 1963, \$30 thousand.

Full or partial interest in existing roads or rights-of-way is purchased (or obtained by condemnation if purchase negotiations fail) to provide access to national forest areas where road access is a serious problem.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
25 Other services.....		1	1
31 Equipment.....	30	34	32
32 Lands and structures.....	1,819	2,116	1,967
Total obligations.....	1,849	2,151	2,000

ACQUISITION OF LANDS FOR NATIONAL FORESTS**SUPERIOR NATIONAL FOREST**

For the acquisition of forest land within the Superior National Forest, Minnesota, under the provisions of the Act of June 22, 1948 (62 Stat. 570; 16 U.S.C. 577c-h), as amended, by purchase, condemnation or otherwise, [\$250,000] \$2,000,000, to remain available until expended and to be available without regard to the restriction in the proviso in section 1 of that Act. (75 Stat. 772; *Department of Interior and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Acquisition of lands for Superior National Forest (total program costs) ¹ -----	48	878	2,000
Change in selected resources ² -----	74		
Total obligations-----	122	878	2,000
Financing:			
Unobligated balance brought forward-----	-1	-628	
Unobligated balance carried forward-----	628		
New obligational authority (appropriation)-----	750	250	2,000

¹ Includes capital outlay as follows: 1961, \$27 thousand; 1962, \$855 thousand; 1963, \$1,964 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$36 thousand; 1961, \$110 thousand; 1962, \$110 thousand; 1963, \$110 thousand.

As of June 30, 1961, approximately 40 thousand acres of land have been acquired to preserve the wilderness conditions of part of the Superior National Forest in Minnesota. The authorization for the purchase of land within this forest was increased to \$4.5 million by Public Law 87-351, approved October 4, 1961. The appropriation proposed will complete the authorization and permit acquisition of the remaining tracts.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions-----	13	17	20
12 Personnel benefits-----	1	1	2
21 Travel and transportation of persons-----	1	2	2
22 Transportation of things-----	1	1	1
25 Other services-----	4	1	10
Services of other agencies-----	1	1	1
32 Lands and structures-----	101	855	1,964
Total obligations-----	122	878	2,000

Personnel Summary

Total number of permanent positions-----	2	2	2
Average number of all employees-----	2	2	2
Number of employees at end of year-----	2	2	2
Average GS grade-----	7.1	7.1	7.1
Average GS salary-----	\$6,153	\$6,151	\$6,143

SPECIAL ACTS

(Special fund)

For the acquisition of land in the Cache National Forest, Utah, in accordance with the Act of May 11, 1938 (52 Stat. 347), as amended, \$10,000, to be derived from forest receipts as authorized by said Act: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest; *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned. (*Department of Interior and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Cache National Forest, Utah (total program costs) ¹ -----	9	10	10
Change in selected resources ² -----	1		
Total obligations-----	10	10	10
Financing:			
New obligational authority (appropriation)-----	10	10	10

¹ Includes capital outlay as follows: 1961, \$8 thousand; 1962, \$9 thousand; 1963, \$9 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$24 thousand; (1961 adjustments, -\$2 thousand); 1961, \$23 thousand; 1962, \$23 thousand; 1963, \$23 thousand.

Based on agreements with certain counties in Utah, national forest receipts, including portions which would normally be paid to county road and school funds, are appropriated for purchase of privately owned lands within the Cache National Forest to aid in the control of soil erosion and flood damage.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions-----	1	1	1
32 Lands and structures-----	9	9	9
Total obligations-----	10	10	10

Personnel Summary

Total number of permanent positions-----	1	1	1
Average number of all employees-----	1	1	1
Number of employees at end of year-----	0	0	0
Average GS grade-----	7.1	7.1	7.1
Average GS salary-----	\$6,153	\$6,151	\$6,143

CACHE NATIONAL FOREST

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Acquisition of lands for Cache National Forest (total program costs) ¹ -----	11	113	10
Change in selected resources ² -----	-1		-10
Total obligations (object class 32)-----	10	113	
Financing:			
Unobligated balance brought forward-----	-122	-113	
Unobligated balance carried forward-----	113		
New obligational authority-----			

¹ Includes capital outlay as follows: 1961, \$11 thousand; 1962, \$113 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$11 thousand; 1961, \$10 thousand; 1962, \$10 thousand; 1963, \$0.

FOREST SERVICE—Continued**Current authorizations—Continued****CACHE NATIONAL FOREST—Continued**

Lands are acquired within the Cache National Forest, Utah, to enable control and minimization of soil erosion and flood damage.

COOPERATIVE RANGE IMPROVEMENTS

(Special fund)

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests in accordance with section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), to be derived from grazing fees as authorized by said section, \$700,000, to remain available until expended. (*Department of Interior and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Advanced to "Forest protection and utilization" (total program costs—obligations) (object class 25)-----	700	700	700
Financing:			
New obligational authority (appropriation)----	700	700	700

Part of the grazing fees from the national forests, when appropriated, are used to protect or improve the productivity of the range, mainly by construction and maintenance of fences, stock watering facilities, bridges, corrals, and driveways. These funds are advanced to and merged with the appropriation Forest protection and utilization, subappropriation Forest land management.

ACQUISITION OF LANDS, KLAMATH INDIANS**Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Acquisition of lands, Klamath Indians (total program costs—obligations) (object class 32)-----	68,717		
Financing:			
New obligational authority (appropriation)----	68,717		

In 1961, 525,585 acres of Klamath Indian lands were acquired under the act terminating Federal supervision over the Klamath Indian Tribe in Oregon. Payment was made as provided by the applicable legislation (68 Stat. 718; 72 Stat. 816).

ASSISTANCE TO STATES FOR TREE PLANTING

For expenses necessary to carry out section 401 of the Agricultural Act of 1956, approved May 28, 1956 (16 U.S.C. 568e), \$1,000,000, to remain available until expended. (*Department of Interior and Related Agencies Appropriation Act, 1962.*)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Tree planting assistance (total program costs)-----	3	1,000	1,000
Change in selected resources ¹ -----	-3		
Total obligations -----		1,000	1,000
Financing:			
New obligational authority (appropriation)----		1,000	1,000

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$3 thousand; 1961, \$0; 1962, \$0; 1963, \$0.

To carry out section 401 of the Agricultural Act of 1956, assistance is given to the State forester or other State official, through technical advice and financial contribution, to carry out tree planting and reforestation work in accordance with plans submitted by the State and approved by the Secretary of Agriculture.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions-----		57	57
12 Personnel benefits-----		4	4
21 Travel and transportation of persons-----		6	6
25 Other services-----		1	1
26 Supplies and materials-----		1	1
31 Equipment-----		1	1
41 Grants, subsidies, and contributions-----		930	930
Total obligations -----		1,000	1,000

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions-----		4	4
Average number of all employees-----		6	6
Number of employees at end of year-----		4	4
Average GS grade-----		7.1	7.1
Average GS salary-----		\$6,151	\$6,143

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations available to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed one hundred and [fifty] seventy-nine passenger motor vehicles, of which one hundred and thirty-[five] seven shall be for replacement only, and hire of such vehicles; operation and maintenance of aircraft and the purchase of not to exceed [two] three of which one shall be for replacement only; (b) employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), in an amount not to exceed \$25,000; (c) uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); (d) purchase, erection, and alteration of buildings and other public improvements (5 U.S.C. 565a); (e) expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U.S.C. 514); and (f) acquisition of land and interests therein for sites for administrative purposes, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a).

Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

Funds appropriated under this Act shall not be used for acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U.S.C. 513-519, 521), where such land is not within the boundaries of a national forest nor shall these lands or lands authorized for purchase in Sanders County, Montana, be acquired without approval of the local government concerned. (*Department of Interior and Related Agencies Appropriation Act, 1962.*)

ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriation as follows:

"Watershed protection," Soil Conservation Service.

"Flood prevention," Soil Conservation Service.

"Agricultural conservation program," Agricultural Stabilization and Conservation Service.

"Great Plains conservation program," Soil Conservation Service.

"Conservation reserve program," Agricultural Stabilization and Conservation Service.

"Agency for International Development," funds appropriated to the President.

"Oregon and California Grant Lands," Bureau of Land Management.

Permanent authorizations:

EXPENSES, BRUSH DISPOSAL

(Indefinite special fund)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Brush disposal.....	6,726	8,000	8,500
2. Advance to "Forest protection and utilization" for fighting forest fires.....	2,838	-----	-----
Total program costs ¹	9,564	8,000	8,500
Change in selected resources ²	78	-----	-----
Total obligations.....	9,643	8,000	8,500
Financing:			
Unobligated balance brought forward.....	-4,289	-2,207	-6,045
Repayment of prior year advance for fighting forest fires.....	-799	-2,838	-----
Unobligated balance carried forward.....	2,207	6,045	6,545
New obligational authority (appropriation).....	6,762	9,000	9,000

¹ Includes capital outlay as follows: 1961, \$437 thousand; 1962, \$491 thousand; 1963, \$522 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$100 thousand; 1961, \$178 thousand; 1962, \$178 thousand; 1963, \$178 thousand.

Payments made for this purpose by purchasers of national-forest timber are used to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

In 1960 and 1961, funds were advanced to the appropriation Forest protection and utilization for fighting forest fires and repayment made from the subsequent year appropriation (31 U.S.C. 534).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	1,928	2,080	2,198
Positions other than permanent.....	2,318	2,983	3,181
Other personnel compensation.....	379	421	447
Total personnel compensation.....	4,625	5,484	5,826
12 Personnel benefits.....	229	235	250
21 Travel and transportation of persons.....	103	96	102
22 Transportation of things.....	319	367	390
23 Rent, communications, and utilities.....	116	129	137
24 Printing and reproduction.....	7	9	10

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
25 Other services.....	3,612	869	923
Services of other agencies.....	79	85	90
26 Supplies and materials.....	276	372	395
31 Equipment.....	216	252	268
32 Lands and structures.....	199	239	254
42 Insurance claims and indemnities.....	2	2	2
44 Refunds.....	-----	1	1
Subtotal.....	9,783	8,140	8,648
Deduct quarters and subsistence charges.....	140	140	148
Total obligations.....	9,643	8,000	8,500

Personnel Summary

Total number of permanent positions.....	297	326	350
Full-time equivalent of other positions.....	666	785	838
Average number of all employees.....	1,020	1,165	1,238
Number of employees at end of year.....	1,704	1,791	1,921
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143
Average salary of ungraded positions.....	\$4,783	\$5,045	\$5,045

OTHER FOREST SERVICE PERMANENT APPROPRIATIONS

(Indefinite special fund unless otherwise indicated)

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Forest fire prevention.....	20	27	20
2. Restoration of forest lands and improvements.....	8	200	196
3. Payment to Minnesota.....	123	123	123
4. Payments to counties, national grasslands.....	392	425	425
5. Payments to school funds, Arizona and New Mexico.....	140	99	115
6. Payments to States, national forests fund.....	35,409	25,045	29,000
7. Construction of warehouse and related facilities, Salt Lake City, Utah.....	25	-----	-----
Total program costs ¹	36,117	25,919	29,879
Change in selected resources ²	-1	-----	-----
Total obligations.....	36,116	25,919	29,879
Financing:			
Unobligated balance brought forward.....	-36	-11	-----
Unobligated balance carried forward.....	11	-----	-----
New obligational authority.....	36,091	25,908	29,879

New obligational authority:			
"Forest fire prevention".....	22	20	20
"Restoration of forest lands and improvements".....	5	196	196
"Payment to Minnesota (Cook, Lake, and St. Louis Counties) from the national forests fund".....	123	123	123
"Payments to counties, national grasslands".....	392	425	425
"Payments to school funds, Arizona and New Mexico, act of June 20, 1910" (indefinite general fund).....	140	99	115
"Payments to States, national forests fund".....	35,409	25,045	29,000
Appropriation.....	36,091	25,908	29,879

¹ Includes capital outlay in 1961 of \$25 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$1 thousand; 1961, \$0; 1962, \$0; 1963, \$0.

FOREST SERVICE—Continued**Permanent authorizations—Continued****OTHER FOREST SERVICE PERMANENT APPROPRIATIONS—Con.**

(Indefinite special fund unless otherwise indicated)—Continued

1. *Forest fire prevention.*—Fees for the use of the character "Smokey Bear" by private enterprises are collected under regulations promulgated by the Secretary and are available for furthering the nationwide forest fire prevention campaign (18 U.S.C. 711).

2. *Restoration of forest lands and improvements.*—Funds received from settlement of claims involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement or forfeiture (16 U.S.C. 556c).

3. *Payment to Minnesota.*—At the close of each fiscal year the State of Minnesota is paid 0.75% of the appraised value of certain Superior National Forest lands in the Counties of Cook, Lake, and St. Louis for distribution to these counties (16 U.S.C. 577g).

4. *Payments to counties, national grasslands.*—Of the revenues received from the use of national grasslands, 25% is paid to the counties in which such land is situated for school and road purposes (7 U.S.C. 1012).

5. *Payments to school funds, Arizona and New Mexico.*—The States of Arizona and New Mexico are paid a share of the national forest receipts for school purposes (36 Stat. 562, 573).

6. *Payments to States, national forests fund.*—With minor exceptions, 25% of the money received from the national forests is paid to the States for public schools and roads of the county in which such forests are situated (16 U.S.C. 500).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	11	26	26
Positions other than permanent.....	5	74	74
Total personnel compensation.....	16	100	100
12 Personnel benefits.....	1	5	5
21 Travel and transportation of persons.....		4	4
22 Transportation of things.....	1	5	5
23 Rent, communications, and utilities.....	3	5	3
25 Other services.....	5	59	59
26 Supplies and materials.....	4	48	39
32 Lands and structures.....	21		
41 Grants, subsidies, and contributions.....	36,064	25,692	29,663
44 Refunds.....	1	1	1
Total obligations.....	36,116	25,919	29,879

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	3	4	4
Full-time equivalent of other positions.....	1	25	25
Average number of all employees.....	3	30	30
Number of employees at end of year.....	3	10	10
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143

Intragovernmental funds:**WORKING CAPITAL FUND, FOREST SERVICE**

This fund finances on a reimbursable basis various services such as repairing and replacing equipment, in-

cluding aircraft, stocking and issuing supplies, operation of subsistence camps, operation of photographic and reproduction facilities, and tree nurseries in support of programs of the Forest Service (16 U.S.C. 579b). These service operations serve programs of fire protection, timber utilization, construction and maintenance of roads and other improvements, reforestation, grazing, watershed, forest and forest products research, and kindred conservation activities of the Forest Service, including cooperative assistance with other Federal agencies, States, counties, and individuals engaged in the same objectives.

Operating results and financial condition.—Government investment in the fund as of June 30, 1961, including donated assets at its inception and retained earnings for 1961, is \$23,862 thousand. By the end of 1963 the investment is anticipated to be \$30,576 thousand, an increase of \$6,714 thousand which represents estimated earnings and donations during 1962 and 1963.

Receipts, non-operating income, and retained earnings include an estimated \$1.5 million for 1963 identified as Income provision for increased cost of equipment replacements to be used only for financing the increased cost of equipment replacement, i.e., the difference between the cost of the replacement unit and the cost at time of acquisition of the unit being replaced. This increased cost is due to inflation and model improvement, and must be financed if the fleet strength is to be maintained and not depleted through the gradual attrition of price increases for replacements. The earnings for the provision for increased cost of replacements are derived from a factor which is included for this purpose in rental rates charged to program appropriations for equipment use and credited to the working capital fund.

Retained earnings as of June 30, 1963 will total an estimated \$5,800 thousand which will consist of \$1,874 thousand gain on sale of equipment, \$2,426 thousand profit from operations, and \$1,500 thousand for provision for increased cost of replacement of equipment. It is planned to utilize the full amount of \$1,500 thousand for increased cost of replacement of equipment during 1963. The gain on sale of equipment and part of the profit from operations have been applied toward increased cost of equipment replacements and purchase of fleet additions. The balance of the operating profit is being retained to furnish adequate working capital.

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Operating costs, funded:			
1. Equipment service.....	8,815	9,880	9,980
2. Aircraft service.....	691	675	730
3. Supply service.....	7,135	7,251	7,320
4. Nurseries.....	800	1,659	1,810
Total operating costs, funded.....	17,441	19,465	19,840
Capital outlay:			
1. Equipment service.....	3,999	4,107	4,850
2. Aircraft service.....	6	78	50
3. Supply service.....	44	31	30
4. Nurseries.....	23	13	18
Total capital outlay.....	4,072	4,229	4,948
Total operating costs, funded, and capital outlay.....	21,513	23,694	24,788
Change in selected resources ¹	1,716	8	754
Total obligations.....	23,229	23,702	25,542

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
Revenues and other receipts:			
Equipment service: Revenue.....	12,498	12,611	13,000
Aircraft service: Revenue.....	615	804	850
Supply service: Revenue.....	7,328	7,380	7,400
Nurseries: Revenue.....	1,220	1,807	1,850
Undistributed receipts:			
Proceeds from sales of equipment.....	671	674	705
Income provision for increased cost of equipment replacements.....			1,500
Total revenue and other receipts.....	22,332	23,276	25,305
Unobligated balance brought forward.....	162	-735	-1,160
Unobligated balance carried forward.....	735	1,160	1,397
Financing applied to program.....	23,229	23,702	25,542

¹ Balances of selected resources are identified on the statement of financial condition.

Summary of Sources and Application of Funds (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Obligations (from program and financing).....	23,229	23,702	25,542
Increase (—) or decrease in gross unpaid obligations.....	-1,737	201	-447
Gross expenditures.....	21,492	23,903	25,095
Revenues and other receipts (from program and financing).....	22,332	23,276	25,305
Increase (—) in accounts receivable, net.....	-280	-158	-126
Applicable receipts.....	22,052	23,118	25,179
Budget expenditures.....	-560	784	-84

Revenue, Expense, and Retained Earnings (in thousands of dollars)

Equipment service:			
Revenue.....	12,498	12,611	13,000
Expense.....	11,362	12,601	12,940
Net operating income, equipment service.....	1,136	10	60
Aircraft service:			
Revenue.....	615	804	850
Expense.....	722	777	840
Net operating income or loss (—), aircraft service.....	-107	27	10
Supply service:			
Revenue.....	7,328	7,380	7,400
Expense.....	7,212	7,303	7,380
Net operating income, supply service.....	116	77	20
Nurseries:			
Revenue.....	1,220	1,807	1,850
Expense.....	1,277	1,685	1,840
Net operating income or loss (—), nurseries.....	-57	122	10
Nonoperating income:			
Proceeds from sales of equipment.....	671	674	705
Net book value of assets sold (—).....	357	396	700
Net gain from sale of equipment.....	314	278	5
Income provision for increased cost of equipment replacements.....			1,500
Net nonoperating income.....	314	278	1,505
Net income for the year.....	1,402	514	1,605

Revenue, Expense, and Retained Earnings (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Analysis of retained earnings: Retained earnings, start of year.....	2,278	3,681	4,195
Retained earnings, end of year.....	3,681	4,195	5,800

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	2,443	3,003	2,219	2,303
Accounts receivable, net.....	2,436	2,716	2,874	3,000
Selected assets: ¹				
Advances.....	2	4	4	4
Deferred charges, etc.....	21	18	16	16
Inventories.....	2,227	3,360	3,585	4,100
Fixed assets, net.....	16,113	18,638	21,165	25,253
Total assets.....	23,243	27,740	29,863	34,676
Liabilities:				
Current.....	2,725	3,878	3,892	4,100
Government equity:				
Non-interest-bearing capital:				
Start of year.....	15,797	18,240	20,182	21,776
Donated assets during the year:				
Fixed assets.....	1,473	1,404	1,594	3,000
Working capital, net.....	914	539		
Adjustment of prior year transaction.....	56			
End of year.....	18,240	20,182	21,776	24,776
Total retained earnings.....	2,278	3,681	4,195	5,800
Total Government equity.....	20,518	23,862	25,971	30,576

Analysis of Government Equity (in thousands of dollars)

Unpaid undelivered orders ¹	1,992	2,576	2,361	2,600
Unobligated balance.....	162	-735	-1,160	-1,397
Invested capital and earnings.....	18,364	22,021	24,770	29,373
Total Government equity.....	20,518	23,862	25,971	30,576

¹ The changes in these items are reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	4,480	4,778	4,778
Positions other than permanent.....	1,263	1,371	1,560
Other personnel compensation.....	242	259	262
Total personnel compensation.....	5,985	6,408	6,600
12 Personnel benefits.....	382	403	450
21 Travel and transportation of persons.....	247	274	300
22 Transportation of things.....	640	631	650
23 Rent, communications, and utilities.....	388	410	420
24 Printing and reproduction.....	56	58	60
25 Other services.....	1,315	1,346	1,400
Services of other agencies.....	55	55	60
26 Supplies and materials.....	9,320	9,541	10,602
31 Equipment.....	4,840	4,576	5,000
42 Insurance claims and indemnities.....	1		
Total obligations.....	23,229	23,702	25,542

FOREST SERVICE—Continued**Intragovernmental funds—Continued****WORKING CAPITAL FUND, FOREST SERVICE—Continued****Personnel Summary**

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	719	794	794
Full-time equivalent of other positions.....	356	379	430
Average number of all employees.....	1,117	1,189	1,240
Number of employees at end of year.....	989	1,121	1,121
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143
Average salary of ungraded positions.....	\$4,783	\$5,045	\$5,045

ADVANCES AND REIMBURSEMENTS**Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Repair of equipment and sale of supplies, materials, and equipment to other activities of Forest Service; the Departments of Agriculture, Commerce, Interior, Defense, and Post Office; Veterans Administration; Atomic Energy Commission; and other agencies.....	157	343	343
2. Construction and maintenance of roads, trails, and other improvements.....	907	2,350	2,350
3. Forest fire protection and suppression.....	693	1,200	1,200
4. Surveys, land appraisals, mapping, cruising timber, and preparation of timber management plans, snow scale readings, etc., on national forest and other lands.....	24	500	500
5. Insect and disease control.....	255	350	350
6. Forest research at experimental forests and ranges.....	258	300	300
7. Investigations at Forest Products Laboratory.....	615	1,000	1,000
8. Forest resources surveys and investigations.....	98	250	250
9. Cooperation in forest fire control, forest management and processing, and forest tree planting.....	484	950	950
Total program costs ¹	3,491	7,243	7,243
Change in selected resources ²	-1		
Total obligations.....	3,489	7,243	7,243
Financing:			
Advances and reimbursements from—			
Other accounts.....	2,833	6,200	6,200
Non-Federal sources.....	656	1,043	1,043
Total financing.....	3,489	7,243	7,243

Note.—Reimbursements from non-Federal sources above are primarily for sale of equipment, supplies, and materials; and for costs of suppressing forest fires on State and private forest lands adjacent to, or intermingled with, national forests under terms of written cooperative agreements (16 U.S.C. 572, 580, 580a); sale of personal property (40 U.S.C. 481(c)).

¹ Includes capital outlay as follows: 1961, \$366 thousand; 1962, \$826 thousand; 1963, \$826 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$91 thousand; 1961, \$90 thousand; 1962, \$90 thousand; 1963, \$90 thousand.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	1,555	1,986	1,986
Positions other than permanent.....	368	493	493
Other personnel compensation.....	15	14	14
Total personnel compensation.....	1,938	2,493	2,493
12 Personnel benefits.....	79	115	115
21 Travel and transportation of persons.....	83	140	140
22 Transportation of things.....	119	150	150
23 Rent, communications, and utilities.....	92	102	102
24 Printing and reproduction.....	2	2	2
25 Other services.....	459	1,572	1,572
Services of other agencies.....	97	848	848
26 Supplies and materials.....	499	992	992
31 Equipment.....	29	43	43
32 Lands and structures.....	92	783	783
41 Grants, subsidies, and contributions.....	1	3	3
Total obligations.....	3,489	7,243	7,243

Personnel Summary

Total number of permanent positions.....	178	197	197
Full-time equivalent of other positions.....	97	120	120
Average number of all employees.....	344	433	433
Number of employees at end of year.....	262	302	302
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143
Average salary of ungraded positions.....	\$4,783	\$5,045	\$5,045

GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [three hundred and ninety-eight] *four hundred and sixty* passenger motor vehicles, of which [three hundred and eighty-five] *four hundred and forty-three* shall be for replacement only, and for the hire of such vehicles.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

SEC. 503. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts. (*Department of Agriculture and Related Agencies Appropriation Act, 1962.*)

ANALYSIS OF UNEXPENDED BALANCES

[In thousands of dollars]

Description	Balance, start of 1961		Balance, start of 1962		Balance, start of 1963		Balance, start of 1964	
	Unobligated	Total	Unobligated	Total	Unobligated	Total	Unobligated	Total
Enacted or recommended in this document:								
Appropriations:								
Salaries and expenses, Agricultural Research Service.....		19,061		20,287		24,085		26,955
Salaries and expenses (special foreign currency program), Agricultural Research Service.....	14,786	18,193	26,192	31,719	13,861	33,884		33,049
Construction of facilities, Agricultural Research Service.....			7,296	7,651	525	5,631	65	1,626
Animal disease laboratory facilities, Agricultural Research Service.....	909	4,323	499	845				
Establishment of an entomology research laboratory, Agri- cultural Research Service.....			400	400		300		
Watershed protection, Soil Conservation Service.....	5,323	25,814	2,512	30,006		38,212		42,147
Flood prevention, Soil Conservation Service.....	4,462	10,816	2,633	12,845		16,444		16,444
Great Plains conservation program, Soil Conservation Service.....	461	15,171	257	16,704		17,616		19,216
Water conservation and utilization projects, Soil Conserva- tion Service.....	135	137	129	129	127	127	125	125
Perishable Agricultural Commodities Act fund, Agricultural Marketing Service (indefinite special fund).....	345	395	244	294	108	160	60	107
Removal of surplus agricultural commodities, Agricultural Marketing Service (indefinite).....	300,000	327,043	300,000	382,685	300,000	382,685	300,000	372,685
Agricultural conservation program, Agricultural Stabilization and Conservation Service.....	2	26,682	4,701	18,772		16,772		11,272
Emergency conservation measures, Agricultural Stabilization and Conservation Service.....	15,330	16,984	11,738	16,435		12,000		
Conservation reserve program, Agricultural Stabilization and Conservation Service.....	1	45,887	22,151	34,495		235		185
Salaries and expenses (special foreign currency program), Foreign Agricultural Service.....	3,509	11,553	4,816	19,405		14,550		11,650
Soil bank program, Commodity Stabilization Service.....	44,359		12,274					
Forest protection and utilization, Forest Service.....		14,033		17,749		23,546		24,636
Access roads, Forest Service.....	1,000	1,000	151	181		1,481		1,481
Acquisition of lands for national forests, Forest Service: Superior National Forest.....	1	37	628	740		590		1,390
Special Acts (indefinite special fund).....		25		23		23		23
Cache National Forest.....	122	135	113	122		72		22
Expenses, brush disposal, Forest Service.....	4,289	5,767	2,207	5,802	6,045	7,801	6,545	8,350
Forest fire prevention, Forest Service.....	5	6	7	9		9		9
Restoration of forest land and improvements, Forest Service.....	7	7	4	5		61		107
Construction of warehouse and related facilities, Forest Service.....	25	25						
Other.....		28,708		32,368		41,209		46,672
Total, appropriations.....	395,073	571,802	398,952	649,671	320,666	637,493	306,795	618,151
Authorizations to expend from debt receipts:								
Rural electrification and telephone loans, Rural Electrifica- tion Administration.....	135,629	886,019	35,151	904,541	651	912,041	651	1,032,041
Farm ownership, farm operating and soil and water conserva- tion loans, Farmers Home Administration.....		2,111		1,622				
Rural housing loans and grants, building loans, Farmers Home Administration.....	297,462	299,324	427,612	441,673	352,612	358,673	277,612	279,673
Commodity Credit Corporation fund.....	1,455,775	1,780,537	1,194,423	2,998,559	-287,164	1,515,614	-431,276	1,285,212
Total, authorizations to expend from debt receipts.....	1,888,866	2,967,991	1,657,186	4,346,395	66,099	2,786,328	-153,013	2,596,926
Contract authorizations: Forest roads and trails, Forest Service.....	30,393	40,664	36,093	45,664	37,500	50,664		13,164
Revolving and management funds:								
Advances and reimbursements, Agricultural Marketing Service.....	14	87	2	31		1		1
Federal Crop Insurance Corporation fund.....	41,727	43,548	48,016	50,348	46,732	50,137	45,210	49,227
Direct loan account, Farmers Home Administration.....					286,523	258,561	225,629	199,639
Emergency credit revolving fund, Farmers Home Adminis- tration.....	84,489	81,543	82,966	80,068	66,177	63,642	50,759	48,485
Agricultural credit insurance fund, Farmers Home Adminis- tration.....	3,725	1,046	3,371	1,115	3,213	1,416	3,332	1,396
Working capital fund, Agricultural Research Center.....	177	470	69	389	61	399	53	391
Working capital fund, Department of Agriculture, General Administration.....	199	378	255	302	271	283	291	271
Working capital fund, Forest Service.....	163	2,443	-734	3,003	-1,156	2,219	-1,393	2,303
Other.....		5,562		7,157		7,677		7,673
Total, revolving and management funds.....	130,494	135,077	133,945	142,413	401,821	384,335	323,881	309,386
Proposed for separate transmittal:								
Appropriations.....						3,725		
Contract authorizations: Forest roads and trails, Forest Service.....					10,000	10,000		3,500
Total, proposed for separate transmittal.....					10,000	13,725		3,500
Total, Department of Agriculture.....	2,444,826	3,715,534	2,226,176	5,184,142	836,086	3,872,545	477,663	3,541,127

time after delivery, not to exceed 3 years. Normally, this period is limited to 120 days. In the case of new procurement, the foreign governments must advance sufficient funds to meet required contract payments and, in addition, must provide the United States with a dependable undertaking to assure that no loss will accrue to the United States in case of contract cancellation or termination (22 U.S.C. 2315).

2. *Philippine assistance.*—By agreement with the Philippine Government, the Agency for International Development acts as its agent, utilizing dollars advanced by the Philippines to procure commodities for them (22 U.S.C. 2151).

3. *Technical assistance, U.S. dollar advances from foreign governments.*—Funds advanced by foreign countries are used to pay some local costs of development programs in those countries in accordance with bilateral agreements (22 U.S.C. 2151).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
AGENCY FOR INTERNATIONAL DEVELOPMENT			
22 Transportation of things.....	121	231	350
25 Other services.....	27	33	50
26 Supplies and materials.....	292	561	850
31 Equipment.....	1,242	2,496	3,750
Total, Agency for International Development.....	1,682	3,321	5,000
DEPARTMENT OF DEFENSE—MILITARY			
22 Transportation of things.....	855	2,075	1,320
25 Other services.....	21,827	47,165	40,350
26 Supplies and materials.....	43,839	154,740	87,820
31 Equipment.....	212,726	514,420	329,610
44 Refunds.....	6,251	4,000	4,000
Total, Department of Defense—Military.....	285,498	722,400	463,100
Total obligations.....	287,180	725,721	468,100

INFORMATIONAL FOREIGN CURRENCY SCHEDULE

Advances of Foreign Currency for Technical Assistance, Agency for International Development

Program and Financing (in thousands of U.S. dollar equivalents)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Technical assistance operations (total obligations).....	23,541	23,935	22,086
Financing:			
Unobligated balance brought forward.....	3,753	3,584	3,233
Authorization to expend foreign currency receipts: Permanent (75 Stat. 424).....	23,395	23,584	22,199
Adjustment due to change in exchange rates.....	—23	—	—
Unobligated balance carried forward.....	—3,584	—3,233	—3,346
Total financing.....	23,541	23,935	22,086

Participating countries advance local currencies, pursuant to bilateral agreements, to pay certain expenses in connection with economic assistance and development grant projects (75 Stat. 424).

Object Classification (in thousands of U.S. dollar equivalents)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	3,935	4,288	4,404
Other personnel compensation.....	425	617	630
Total personnel compensation.....	4,360	4,905	5,034
12 Personnel benefits.....			
1,112	1,674	1,667	
21 Travel and transportation of persons.....			
3,312	3,497	3,307	
22 Transportation of things.....			
433	409	386	
23 Rent, communications, and utilities.....			
3,242	2,818	2,688	
24 Printing and reproduction.....			
121	185	177	
25 Other services.....			
4,395	3,725	3,276	
Services of other agencies.....			
676	947	875	
26 Supplies and materials.....			
1,464	1,481	1,391	
31 Equipment.....			
439	597	419	
32 Lands and structures.....			
133	702	—	
41 Grants, subsidies, and contributions.....			
3,853	2,994	2,865	
42 Insurance claims and indemnities.....			
1	1	1	
Total obligations.....	23,541	23,935	22,086

Personnel Summary

Total number of permanent positions.....	3,858	4,003	3,779
Full-time equivalent of other positions.....	93	100	105
Average number of all employees.....	3,780	3,822	3,656
Number of employees at end of year.....	3,547	3,885	3,688
Average salary of ungraded positions.....	\$1,041	\$1,123	\$1,205

Analysis of Expenditures (in thousands of U.S. dollar equivalents)

Obligated balance brought forward.....	3,739	4,225	5,010
Obligations incurred, net.....	23,541	23,935	22,086
Adjustment due to changes in exchange rates.....	—46	—	—
Obligated balance carried forward.....	—4,225	—5,010	—5,122
Expenditures.....	23,009	23,150	21,974

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

AGRICULTURAL RESEARCH SERVICE TRUST FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce.....	81	85	82
(b) Identification and certification service for meat and other products.....	171	175	175
(c) Contract specification work on meat and meat food products.....	899	900	900
(d) Food inspection service (meat and meat food products).....	1	2	2
2. Expenses, feed and attendants for animals in quarantine.....	40	65	40
3. Miscellaneous contributed funds.....	425	493	443
4. Prior year advances returned.....	8	1	—
Total program costs ¹	1,625	1,721	1,642
Change in selected resources ²	6	—	—
Total obligations.....	1,631	1,721	1,642

¹ Includes capital outlay as follows: 1961, \$21 thousand; 1962, \$30 thousand; 1963, \$5 thousand.

Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$11 thousand; 1961, \$17 thousand; 1962, \$17 thousand; 1963, \$17 thousand.

DEPARTMENT OF AGRICULTURE—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

AGRICULTURAL RESEARCH SERVICE TRUST FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Financing:			
Unobligated balance brought forward.....	340	220	196
Receipts:			
Expenses and refunds, inspection and grading of farm products.....	1,031	1,319	1,159
Expenses, feed and attendants for animals in quarantine.....	53	40	40
Miscellaneous contributed funds.....	427	338	429
Unobligated balance carried forward.....	-220	-196	-182
Total financing.....	1,631	1,721	1,642

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others.

1. *Expenses and refunds, inspection and grading of farm products* provide for (a) inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce; (b) identification and marking of divided portions of meat, meat byproducts, and meat food products for human consumption, which have been previously federally inspected and so marked in order that divided portions will bear Federal marks; (c) examination of meat and meat food products in federally inspected meatpacking plants for compliance with contract specifications; and (d) a food inspection service covering any article of human food derived wholly or in part from meat, meat byproducts or meat food products not subject to the Federal meat inspection laws but for which the mark of Federal meat inspection is requested (7 U.S.C. 1622h, 1624).

2. *Expenses, feed and attendants for animals in quarantine* are paid from fees advanced by importers (21 U.S.C. 102).

3. *Miscellaneous contributed funds* received from States, local organizations, individuals, and others are available for work under cooperative agreements on miscellaneous production and utilization research activities, plant quarantine inspection, and cooperative plant pest control activities (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	240	292	265
Positions other than permanent.....	26	37	31
Other personnel compensation.....	18	20	19
Total personnel compensation.....	284	349	315
12 Personnel benefits.....	20	24	23
21 Travel and transportation of persons.....	26	28	26
22 Transportation of things.....	3	6	6
23 Rent, communications, and utilities.....	2	2	2
24 Printing and reproduction.....	1	3	3
25 Other services.....	37	35	34
Services of other agencies.....	1,171	1,182	1,178
26 Supplies and materials.....	52	67	50
31 Equipment.....	27	24	5
44 Refunds.....	8	1	-----
Total obligations.....	1,631	1,721	1,642

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	34	32	30
Full-time equivalent of other positions.....	8	11	9
Average number of all employees.....	46	56	49
Number of employees at end of year.....	44	57	50
Average GS grade.....	7.7	7.9	7.9
Average GS salary.....	\$6,624	\$6,704	\$6,709

ECONOMIC RESEARCH SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous contributed funds (total program costs).....	1	13	12
Change in selected resources ¹	1	-1	-----
Total obligations.....	2	12	12
Financing:			
Receipts.....	2	12	12

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$0; 1961, \$1 thousand; 1962, \$0; 1963, \$0.

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	1	2	2
Positions other than permanent.....	-----	6	6
Total personnel compensation.....	1	8	8
12 Personnel benefits.....	-----	1	1
21 Travel and transportation of persons.....	-----	3	3
31 Equipment.....	1	-----	-----
Total obligations.....	2	12	12

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	-----	1	1
Full-time equivalent of other positions.....	-----	1	1
Average number of all employees.....	-----	2	2
Number of employees at end of year.....	1	1	1
Average GS grade.....	8.2	8.2	8.2
Average GS salary.....	\$7,034	\$7,099	\$7,119

EXTENSION SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous contributed funds (total program costs—obligations) (object class 21).....	7	6	6
Financing:			
Receipts.....	7	6	6

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

FARMER COOPERATIVE SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous contributed funds (total program costs—obligations) (object class 25).....		12	
Financing:			
Receipts.....		12	

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

SOIL CONSERVATION SERVICE

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous contributed funds (total program costs).....	216	499	500
Change in selected resources ¹	95	-21	
Total obligations.....	311	478	500
Financing:			
Unobligated balance brought forward.....	62	96	
Receipts.....	345	382	500
Unobligated balance carried forward.....	-96		
Total financing.....	311	478	500

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders 1960, \$1 thousand; 1961, \$96 thousand; 1962, \$75 thousand; 1963, \$75 thousand.

Miscellaneous contributed funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	134	285	298
Positions other than permanent.....	18	36	38
Total personnel compensation.....	152	321	336
12 Personnel benefits.....	11	24	25
21 Travel and transportation of persons.....	10	33	34
22 Transportation of things.....	4	4	4
23 Rent, communications, and utilities.....	1	6	6
24 Printing and reproduction.....	2	13	14
25 Other services.....	101	53	55
26 Supplies and materials.....	4	13	14
31 Equipment.....	11	12	12
44 Refunds.....	30		
Total obligations.....	311	478	500

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	21	40	42
Full-time equivalent of other positions.....	4	9	10
Average number of all employees.....	26	54	56
Number of employees at end of year.....	23	55	58
Average GS grade.....	7.2	7.3	7.3
Average GS salary.....	\$6,189	\$6,273	\$6,261

AGRICULTURAL MARKETING SERVICE

AGRICULTURAL MARKETING SERVICE TRUST FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Dairy products.....	1,699	1,972	1,972
(b) Fresh and processed fruits and vegetables.....	6,372	6,884	7,064
(c) Meat.....	4,856	5,081	5,081
(d) Poultry products.....	3,950	4,357	4,676
(e) Miscellaneous agricultural commodities.....	1,686	1,784	1,784
2. Miscellaneous contributed funds.....	67	67	36
Total program costs ¹.....	18,629	20,145	20,613
Change in selected resources ²	60	-30	
Total obligations.....	18,690	20,115	20,613
Financing:			
Unobligated balance brought forward.....	7,055	7,166	6,448
Receipts:			
Expenses and refunds, inspection and grading of farm products.....	18,685	19,341	20,129
Miscellaneous contributed funds.....	71	56	36
Recovery of prior year obligations.....	45		
Unobligated balance carried forward.....	-7,166	-6,448	-6,001
Total financing.....	18,690	20,115	20,613

¹ Includes capital outlay as follows: 1961, \$51 thousand; 1962, \$63 thousand; 1963, \$63 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$52 thousand; (1961 adjustments, -\$44 thousand); 1961, \$68 thousand; 1962, \$38 thousand; 1963, \$38 thousand.

1. *Expenses and refunds, inspection and grading of farm products.*—An inspection and grading service for farm products is provided upon application of interested parties. These services are supported primarily by fees and, to a limited extent, by direct appropriations to the Agricultural Marketing Service. The schedules reflect expenses paid from fees received (7 U.S.C. 91-99, 1621-1627). The volume of work performed under the trust fund is shown below (in millions):

Commodity	Unit	1961 actual	1962 estimate	1963 estimate
Dairy products.....	Pound.....	3,114.2	3,273.0	3,273.0
Fresh fruits and vegetables.....	Car or carlot equivalent.	1.4	1.3	1.3
Processed fruits and vegetables:				
Canned products.....	Case.....	190.9	200.0	210.0
Frozen, dried, and miscellaneous.....	Pound.....	3,796.9	4,064.0	4,475.0
Meat and meat products.....	Pound.....	7,933.1	8,005.0	8,130.0
Poultry products, graded:				
Shell eggs.....	Case.....	31.0	34.2	34.9
Processed eggs.....	Pound.....	567.6	567.7	567.7
Poultry, including rabbits.....	Pound.....	4,624.3	5,548.0	5,778.0
Poultry products inspected.....				
Rabbits.....	Pound.....	1.3	1.3	1.3
Other poultry products.....	Pound.....	.9	1.0	1.1
Grain and related products:				
Rice, beans, and peas.....	Hundredweight.....	65.5	65.8	67.4
Seed verification and reverification.....	Pound.....	22.6	10.0	10.0

DEPARTMENT OF AGRICULTURE—Continued**AGRICULTURAL MARKETING SERVICE—Continued****AGRICULTURAL MARKETING SERVICE TRUST FUNDS—Continued**

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others, available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	13,545	14,430	14,852
Positions other than permanent.....	435	518	517
Other personnel compensation.....	824	837	837
Total personnel compensation.....	14,803	15,785	16,206
12 Personnel benefits.....	1,085	1,191	1,219
21 Travel and transportation of persons.....	1,236	1,578	1,610
22 Transportation of things.....	68	53	53
23 Rent, communications, and utilities.....	309	318	318
24 Printing and reproduction.....	100	102	102
25 Other services.....	862	798	813
Services of other agencies.....	30	57	57
26 Supplies and materials.....	132	136	138
31 Equipment.....	65	97	97
Total obligations.....	18,690	20,115	20,613

Personnel Summary

Total number of permanent positions.....	2,642	2,598	2,687
Full-time equivalent of other positions.....	98	119	119
Average number of all employees.....	2,374	2,485	2,573
Number of employees at end of year.....	2,458	2,557	2,644
Average GS grade.....	7.5	7.8	7.8
Average GS salary.....	\$6,294	\$6,502	\$6,480
Average salary of ungraded positions.....	\$4,522	\$4,560	\$4,541

STATISTICAL REPORTING SERVICE**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous contributed funds (total program costs—obligations) (Object class 11—permanent positions).....	1		
Financing:			
Receipts.....	1		

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	1		
Average number of all employees.....	1		
Number of employees at end of year.....	1		
Average GS grade.....	6.5		
Average GS salary.....	\$5,994		

FOREIGN AGRICULTURAL SERVICE**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous contributed funds (total program costs—obligations) (object class 11—permanent positions).....	4		
Financing:			
Receipts.....	4		

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Average number of all employees.....	1		
Number of employees at end of year.....	0		

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE**MISCELLANEOUS CONTRIBUTED FUNDS****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Return to donor (total program costs—obligations) (object class 44).....		2	
Financing:			
Unobligated balance brought forward.....	2	2	
Unobligated balance carried forward.....	-2		
Total financing.....		2	

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

FARMERS HOME ADMINISTRATION**STATE RURAL REHABILITATION FUNDS****Program and Financing (in thousands of dollars)**

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Operating costs, funded: Expense (obligations).....	345	327	273
Capital outlay:			
1. Acquisition of loans.....	8,987	9,500	9,500
2. Acquisition of judgments.....	8	6	6
3. Assets returned to States.....	340	402	304
Total capital outlay.....	9,335	9,908	9,810

Program and Financing (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
Program by activities—Continued			
Change in selected resources ¹	785		
Total capital outlay (obligations).....	10,120	9,908	9,810
Total obligations.....	10,465	10,235	10,083
Financing:			
Revenues and other receipts:			
Loans repaid.....	8,422	9,470	7,070
Payments on judgments.....	9	10	10
Sale of property.....	1	9	10
Revenue.....	1,017	944	948
Revenues and other receipts.....	9,450	10,433	8,038
Unobligated balance brought forward.....	4,385	3,369	3,567
Unobligated balance carried forward.....	-3,369	-3,567	-1,522
Financing applied to program.....	10,465	10,235	10,083

Summary of Sources and Application of Funds (in thousands of dollars)

Obligations (from program and financing).....	10,465	10,235	10,083
Increase (—) in gross unpaid obligations.....	-780		
Gross expenditures.....	9,685	10,235	10,083
Revenues and receipts (from program and financing).....	9,450	10,433	8,038
Increase (—) or decrease in accounts receivable, net.....	208	144	78
Applicable receipts.....	9,658	10,577	8,116
Trust expenditures.....	27	-342	1,967

¹ Balances of selected resources are identified on the statement of financial condition.

These funds are administered by the Farmers Home Administration, under agreements with 39 individual States, for use in carrying out titles I and II of the Bankhead-Jones Farm Tenant Act. In these States, operating type loans are made at 5% interest. In some States, real estate type loans are made from these funds and insured under the regular Farmers Home Administration insured loan program at 5% of which not less than one-half of 1% represents an insurance charge that is retained by the Government. The entire assets of the 39 State corporations are being administered by the Farmers Home Administration, with the exception of \$13.4 million representing the partial return of cash and other assets at face value to 18 of these States for rural rehabilitation purposes agreed upon between each corporation and the Federal Government. The entire assets of four other State rural rehabilitation corporations have been returned to those States.

Actual and estimated loan operations for 1960, 1961, 1962, and 1963 are as follows (in thousands of dollars):

	Operating loans	Real estate loans
1960.....	1,241	6,025
1961.....	1,294	8,478
1962 (estimate).....	1,500	8,000
1963 (estimate).....	1,500	8,000

Revenue, Expense, and Retained Earnings (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Operating program:			
Revenue.....	1,017	944	948
Expense.....	415	540	290
Net operating income.....	602	404	658
Nonoperating income:			
Sale of property.....	9	10	10
Net book value.....	-8	-10	-10
Net gain from sale.....	1		
Net income for the year.....	603	404	658
Deficit (—), beginning of year.....	-3,050	-2,449	-2,045
Adjustment for balance closed to trust upon return of assets to States.....	-2		
Deficit (—), end of year.....	-2,449	-2,045	-1,387

Financial Condition (in thousands of dollars)

	1960 actual	1961 actual	1962 estimate	1963 estimate
Assets:				
Treasury balance.....	1,905	3,195	4,193	2,226
U.S. securities (par).....	2,173	856	200	200
Accounts receivable, net.....	932	723	579	501
Loans receivable, net.....	21,540	20,718	20,330	22,527
Real estate acquired through foreclosure.....	29	29	20	10
Judgments, net.....	32	31	29	33
Total assets.....	26,611	25,552	25,351	25,497
Liabilities:				
Current.....	45	40	40	40
Equity of States:				
Non-interest-bearing capital:				
Start of year.....	33,747	29,616	27,961	27,356
Assets transferred under trust agreement during year, net (—).....	-4,131	-1,657	-605	-512
Adjustment for balance closed to trust upon return of assets to States.....		2		
End of year.....	29,616	27,961	27,356	26,844
Deficit (—).....	-3,050	-2,449	-2,045	-1,387
Total equity of States.....	26,566	25,512	25,311	25,457

Analysis of Equity of States (in thousands of dollars)

Undisbursed loan obligations ¹	580	1,365	1,365	1,365
Unobligated balance.....	4,385	3,369	3,567	1,522
Invested capital and earnings.....	21,601	20,778	20,379	22,570
Total equity of States.....	26,566	25,512	25,311	25,457

¹ The change on this item is reflected on the program and financing schedule.

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
II Personnel compensation:			
Permanent positions.....	126	124	115
Other personnel compensation.....	1		
Total personnel compensation.....	127	124	115

DEPARTMENT OF AGRICULTURE—Continued

FARMERS' HOME ADMINISTRATION—Continued

STATE RURAL REHABILITATION FUNDS—Continued

Object Classification (in thousands of dollars)—Continued

	1961 actual	1962 estimate	1963 estimate
12 Personnel benefits.....	10	10	9
21 Travel and transportation of persons.....	6	10	10
25 Other services.....	70	56	56
33 Investments and loans.....	9,772	9,500	9,500
44 Refunds.....	317	400	300
Undistributed.....	163	135	93
Total obligations.....	10,465	10,235	10,083

Personnel Summary

Total number of permanent positions.....	24	24	22
Average number of all employees.....	23	23	21
Number of employees at end of year.....	19	23	20
Average GS grade.....	6.1	5.6	5.5
Average GS salary.....	\$5,584	\$5,437	\$5,462

NATIONAL AGRICULTURAL LIBRARY

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Miscellaneous contributed funds (total program costs—obligations).....		12	24
Financing:			
Unobligated balance brought forward.....			24
Receipts.....		36	
Unobligated balance carried forward.....		—24	
Total financing.....		12	24

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U.S.C. 67, 563).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation: Permanent positions.....		5	7
12 Personnel benefits.....			1
21 Travel and transportation of persons.....		1	
24 Printing and reproduction.....			16
31 Equipment.....		6	
Total obligations.....		12	24

Personnel Summary

Total number of permanent positions.....		3	3
Average number of all employees.....		1	2
Number of employees at end of year.....		3	0
Average GS grade.....		4.3	4.3
Average GS salary.....		\$4,222	\$4,222

FOREST SERVICE

FOREST SERVICE TRUST FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Cooperative work:			
(a) Construction and maintenance of roads and trails.....	1,230	1,300	1,300
(b) Construction and maintenance of other improvements.....	717	450	450
(c) Protection of national forest and adjacent private land.....	2,882	3,000	3,000
(d) Sale area betterment and scaling.....	14,495	15,055	15,555
(e) Research investigations.....	936	1,000	1,000
(f) Administration.....	67	70	70
(g) Reforestation.....	119	125	125
2. Miscellaneous contributed funds.....	2		
Total program costs ¹	20,448	21,000	21,500
Change in selected resources ²	—122		
Total obligations.....	20,326	21,000	21,500
Financing:			
Unobligated balance brought forward.....	19,181	19,613	20,113
Receipts (cooperative work).....	20,757	21,500	22,000
Unobligated balance carried forward.....	—19,613	—20,113	—20,613
Total financing.....	20,326	21,000	21,500

¹ Includes capital outlay as follows: 1961, \$11,685 thousand; 1962, \$12,185 thousand; 1963, \$12,685 thousand.

² Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$674 thousand; 1961, \$552 thousand; 1962, \$552 thousand; 1963, \$552 thousand.

Cooperative work.—Advances, including deposits from purchasers of timber, are received and used for cooperative work in forest investigations, protection, and improvement of the national forests; and protection, reforestation, and administration of private lands adjacent to national forests (16 U.S.C. 498, 572, 572a, 576b, 581; 31 U.S.C. 725s).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	6,834	6,941	6,941
Positions other than permanent.....	5,621	5,954	6,166
Other personnel compensation.....	611	597	618
Total personnel compensation.....	13,066	13,492	13,725
12 Personnel benefits.....	770	817	846
21 Travel and transportation of persons.....	216	250	259
22 Transportation of things.....	752	779	807
23 Rent, communications, and utilities.....	312	319	330
24 Printing and reproduction.....	18	17	18
25 Other services.....	2,237	2,225	2,305
Services of other agencies.....	457	446	462
26 Supplies and materials.....	1,554	1,718	1,779
31 Equipment.....	420	455	471
32 Lands and structures.....	664	654	677
41 Grants, subsidies, and contributions.....	1		
42 Insurance claims and indemnities.....	4		
44 Refunds.....	131	98	101
Subtotal.....	20,602	21,270	21,780
Deduct quarters and subsistence charges.....	276	270	280
Total obligations.....	20,326	21,000	21,500

Personnel Summary

	1961 actual	1962 estimate	1963 estimate
Total number of permanent positions.....	1,426	1,489	1,489
Full-time equivalent of other positions.....	1,627	1,754	1,817
Average number of all employees.....	2,990	3,112	3,175
Number of employees at end of year.....	3,301	3,391	3,500
Average GS grade.....	7.1	7.1	7.1
Average GS salary.....	\$6,153	\$6,151	\$6,143
Average salary of ungraded positions.....	\$4,783	\$5,045	\$5,045

DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

PARTICIPATION IN CENTURY 21 EXPOSITION TRUST FUND

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
Exhibit program (total obligations) (object class 25).....		125	
Financing:			
Receipts.....		125	

This fund has been established to account for gifts and donations from commercial exhibitors (72 Stat. 1703).

BUSINESS AND DEFENSE SERVICES ADMINISTRATION

BUSINESS AND DEFENSE SERVICES ADMINISTRATION TRUST FUNDS

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Special studies and reports.....	13	13	13
2. Preparation of transcripts of studies, tables, and other records.....	598	659	725
Total program costs—obligations.....	611	672	738
Financing:			
Unobligated balance brought forward.....	370	326	277
Receipts:			
Special statistical work.....	13	13	13
Expenses, transcripts of studies, tables, and other records.....	554	610	610
Unobligated balance carried forward.....	—326	—277	—162
Total financing.....	611	672	738

1. *Special studies and reports.*—Statistical reports based on Administration data are prepared at the expense of the requesting public (15 U.S.C. 192).

2. *Preparation of transcripts of studies, tables, and other records.*—Proceeds from sale of reports and documents are used for their reproduction and dissemination (15 U.S.C. 1153; 31 U.S.C. 725s).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
21 Travel and transportation of persons.....	1	1	1
24 Printing and reproduction.....	6	6	6
25 Other services: Services of other agencies.....	604	665	731
Total obligations.....	611	672	738

BUREAU OF THE CENSUS

SPECIAL STATISTICAL WORK

Program and Financing (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
Program by activities:			
1. Special statistical studies:			
(a) Age and citizenship searches.....	581	580	580
(b) Special statistical studies.....	1,596	1,553	1,553
2. General administration.....	154	167	167
Total program costs.....	2,331	2,300	2,300
Change in selected resources ¹	13		
Total obligations.....	2,344	2,300	2,300
Financing:			
Unobligated balance brought forward.....	1,084	837	637
Receipts.....	2,097	2,100	2,100
Unobligated balance carried forward.....	—837	—637	—437
Total financing.....	2,344	2,300	2,300

¹ Selected resources as of June 30 are as follows: Unpaid undelivered orders, 1960, \$7 thousand; 1961, \$20 thousand; 1962, \$20 thousand; 1963, \$20 thousand.

The Bureau performs special statistical work, at cost, for individuals and firms requesting such data. In addition, the Bureau furnishes age and citizenship data from past census records on a fee basis. Funds received for these purposes are used to pay expenses incurred in the performance of such work (5 U.S.C. 606; 12 U.S.C. 1701e; 13 U.S.C. 8, 218; 15 U.S.C. 189a, 192).

Object Classification (in thousands of dollars)

	1961 actual	1962 estimate	1963 estimate
11 Personnel compensation:			
Permanent positions.....	1,318	1,341	1,341
Positions other than permanent.....	130	160	250
Other personnel compensation.....	38	40	40
Total personnel compensation.....	1,486	1,541	1,631
12 Personnel benefits.....	123	128	136
21 Travel and transportation of persons.....	89	92	97
22 Transportation of things.....	4	4	4
23 Rent, communications, and utilities.....	62	65	68
24 Printing and reproduction.....	26	27	29
25 Other services.....	28	28	28
Services of other agencies.....	279	202	142
26 Supplies and materials.....	35	36	38
31 Equipment.....	4	5	5
41 Grants, subsidies, and contributions.....	2	2	2
44 Refunds.....	193	170	120
Total costs.....	2,331	2,300	2,300
Change in selected resources.....	13		
Total obligations.....	2,344	2,300	2,300

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL RESEARCH SERVICE

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Administrator.....	1	\$19,000	1	\$19,000	1	\$19,000
Associate administrator.....	1	18,500	1	18,500	1	18,500
GS-18. \$18,500:						
Deputy administrator, farm research.....	1	18,512	1	18,512	1	18,512
Deputy administrator, regulatory.....	1	18,512	1	18,512	1	18,512
Deputy administrator, research planning and coordination.....	1	18,512	1	18,512	1	18,512
Deputy administrator, utilization research and development.....	1	18,512	1	18,512	1	18,512
GS-17. \$16,530 to \$17,570:						
Assistant administrator, utilization research and development.....	1	16,806	1	17,056	1	17,056
GS-16. \$15,255 to \$16,295:						
Assistant administrator, farm research.....	1	15,517	1	15,787	1	15,787
Assistant administrator, regulatory programs.....	1	16,307	1	16,307	1	16,307
Deputy administrator, administrative management.....	1	16,307	1	16,307	1	16,307
Director, regulatory division.....	2	30,784	2	31,054	2	31,304
Director, research division.....	2	31,034	2	31,034	2	31,304
GS-15. \$13,730 to \$15,030:						
Agronomist.....	1	13,749	1	13,749	1	13,749
Assistant administrator.....	2	29,099	2	29,432	2	29,432
Assistant director, regulatory division.....	10	138,738	10	139,362	10	140,340
Assistant director, research division.....	13	181,899	14	196,292	14	196,292
Assistant director, research laboratory.....	2	28,455	2	28,767	2	28,767
Assistant to administrator.....	1	14,061	1	14,061	1	14,394
Assistant to administrator, farm research.....	2	29,744	2	30,347	2	30,347
Assistant to administrator, research advisory committee.....	1	15,038	1	15,038	1	15,038
Assistant to administrator, utilization research and development.....	2	27,810	2	28,455	2	28,455
Assistant to director, research.....	1	14,061	1	14,061	1	14,394
Associate director, regulatory division.....	4	58,802	4	58,802	4	58,802
Bacteriologist.....	2	27,810	2	28,143	2	28,143
Biochemist.....	1	13,749	1	13,749	1	13,749
Biologist.....	20	276,810	21	291,558	21	291,558
Chemist.....	6	85,031	5	70,992	5	70,992
Chief, research laboratory.....	17	239,120	18	253,826	18	253,826
Dairy husbandman.....	1	14,061	1	14,061	1	14,061
Director, administrative services division.....	1	15,038	1	15,038	1	15,038
Director, budget and finance division.....	1	15,309	1	15,309	1	15,309
Director, information division.....	1	15,038	1	15,038	1	15,038
Director, internal audit staff.....	1	15,309	1	15,309	1	15,309
Director, National Arboretum.....	1	14,061	1	14,061	1	14,061
Director, personnel division.....	1	13,749	1	14,061	1	14,061
Director, regulatory division.....	3	44,138	4	58,199	4	58,531
Director, foreign regional research.....	2	29,058	2	28,122	2	28,122
Director, research division.....	7	104,188	3	44,741	3	44,741
Geneticist.....	1	13,749	1	13,749	1	13,749
Head, biometrics services.....	1	14,394	1	14,394	1	14,706
Horticulturist.....			1	14,061	1	14,061
Pathologist.....			1	13,749	1	13,749
Physical scientist.....	2	28,122	1	14,394	1	14,394
Physicist.....	1	13,749	1	13,749	1	13,749
Physiologist.....	1	13,749	1	14,061	1	14,061
Soil scientist.....	1	13,749	2	27,498	2	27,498
Veterinarian.....	2	27,810	9	124,053	9	124,053
GS-14. \$12,210 to \$13,510:						
Administrative officer.....	5	63,730	6	76,430	6	76,430
Agricultural economist.....	4	50,190	5	62,690	5	62,690
Agricultural engineer.....	4	50,460	4	50,730	4	50,730
Agriculturist.....	12	154,270	13	166,730	13	168,250
Agronomist.....	8	98,610	10	123,320	10	123,320
Analytical statistician.....	2	25,750	3	38,250	3	38,500
Assistant branch chief, research services division.....	20	246,890	20	245,870	20	245,870
Assistant director, administrative services division.....	1	12,480	1	12,750	1	12,750
Assistant director, budget and finance division.....	2	26,020	2	26,270	2	26,270
Assistant director, information division.....	1	12,480	1	12,480	1	12,750
Assistant director, internal audit staff.....	2	24,980	2	25,480	2	25,480
Assistant director, personnel division.....	1	12,750	1	13,000	1	13,000
Assistant director, regulatory division.....	8	102,770	8	101,730	8	102,750
Assistant director, foreign regional research.....	1	12,750	1	12,750	1	12,750
Assistant director, research division.....	14	179,980	16	205,770	16	205,770
Grades and ranges—Continued						
GS-14. \$12,210 to \$13,510—Continued						
Assistant to director, research division.....	4	\$51,750	3	\$38,500	3	\$38,500
Assistant to administrator, utilization research and development.....	1	13,520	1	13,520	1	13,520
Associate director, regulatory division.....	1	12,230	1	12,230	1	12,230
Bacteriologist.....	5	62,690	8	99,920	8	99,920
Biochemist.....	8	100,150	10	124,360	10	124,360
Biologist.....	2	24,980	1	13,000	2	25,500
Botanist.....	1	12,480	1	12,480	1	12,480
Branch chief, administrative services.....	1	12,480	3	37,210	3	37,210
Branch chief, budget and finance.....	3	37,440	3	38,250	3	38,250
Branch chief, regulatory.....	1	12,750				
Branch chief, research.....	13	161,820	14	174,820	14	174,820
Business manager, regional business office.....	4	51,750	4	52,020	4	52,810
Chemical engineer.....	2	25,270	3	38,500	3	38,500
Chemist.....	35	437,730	47	587,190	48	599,420
Chief hydrologist.....	1	12,230	1	12,230	1	12,230
Chief, irrigation engineer.....	1	12,230	1	12,230	1	12,230
Chief, physicist.....	1	12,230	1	12,230	1	12,230
Chief, research laboratory.....	23	293,630	26	331,670	26	331,670
Cotton technologist.....	3	37,210	3	37,460	3	37,460
Dairy husbandman.....	2	25,750	2	26,000	2	26,000
Dairy manufacturing technologist.....	1	12,480	1	12,480	1	12,480
Director, data processing division.....	1	12,750	1	13,000	1	13,000
Director, management research and organization division.....	1	12,480	1	12,750	1	12,750
Engineer.....	1	13,520				
Entomologist.....	10	123,590	14	173,010	14	173,010
Fiber technologist.....	1	12,480	1	12,480	1	12,480
Food technologist.....	1	12,230	2	24,710	2	24,710
Geneticist.....	6	74,150	6	74,400	6	74,400
Head, central project office.....	1	12,230	1	12,480	1	12,480
Horticulturist.....	1	13,520				
Hydraulic engineer.....	3	36,690	5	61,150	5	61,150
Industrial analyst.....	3	36,690	3	36,690	3	37,190
Information specialist.....	3	37,460	1	12,230	1	12,230
Mathematical statistician.....	1	12,230	1	12,230	1	12,230
Mechanical engineer.....	1	12,230	1	12,230	1	12,230
Microbiologist.....	2	24,460	6	73,880	6	73,880
Mycologist.....	1	12,750				
Parasitologist.....	3	37,460	8	99,130	8	99,130
Pathologist.....	9	111,090	9	111,360	9	111,360
Personnel officer.....	2	25,230	4	50,210	4	50,210
Pharmacologist.....	1	12,750	1	12,750	1	12,750
Physical scientist.....	3	38,480	3	36,940	3	36,940
Physicist.....	2	24,460	3	36,690	3	36,690
Physiologist.....	7	86,880	7	86,630	7	86,630
Plant pest control officer.....	5	64,000	5	66,310	5	67,120
Plant quarantine inspector.....	4	49,920	5	62,170	5	62,440
Poultry husbandman.....	1	12,230	1	12,230	1	12,230
Publication writer.....	1	13,000	1	13,270	1	13,270
Research coordinator.....	6	80,370	6	79,600	6	79,600
Safety officer.....	1	12,750	1	12,750	1	13,000
Soil scientist.....	10	122,550	11	135,030	11	135,030
Superintendent of operations.....	1	13,520	1	13,790	1	13,790
Veterinarian.....	52	659,140	74	911,830	78	963,000
GS-13. \$10,635 to \$11,935.....	636		754		767	
GS-12. \$8,955 to \$10,255.....	7,096,067		8,332,904		8,475,164	
GS-11. \$7,560 to \$8,860.....	1,063		1,480		1,522	
GS-10. \$6,995 to \$7,985.....	10,177,030		13,861,335		14,241,615	
GS-9. \$6,435 to \$7,425.....	1,748		1,961		2,000	
GS-8. \$5,855 to \$6,875.....	14,231,298		15,644,270		15,964,039	
GS-7. \$5,355 to \$6,345.....	1,767		1,782		1,787	
GS-6. \$4,830 to \$5,820.....	2,031		1,650		1,686	
GS-5. \$4,345 to \$5,335.....	14,228,081		11,420,136		11,660,664	
GS-4. \$4,040 to \$4,670.....	539		546		563	
GS-3. \$3,760 to \$4,390.....	3,619,208		3,679,414		3,794,176	
GS-2. \$3,500 to \$4,130.....	2,615		2,989		3,113	
GS-1. \$3,185 to \$3,815.....	15,537,336		17,690,318		18,473,327	
Rates established by the act of June 20, 1958 (5 U.S.C. 1161(c)):	197		201		201	
Chief scientist.....	1,096,731		1,115,470		1,116,135	
Deputy administrator, nutrition and consumer use research.....	2,348		2,277		2,321	
Director, research division.....	11,367,107		11,077,724		11,308,392	
Salaries established under the act of April 24, 1948 (21 U.S.C. 113a):	1,206		1,319		1,351	
Chief scientist.....	5,347,682		5,792,784		5,924,552	
Director, research division.....	1,154		1,123		1,127	
Director, research laboratory.....	4,685,113		4,551,645		4,567,620	
GS-2. \$3,500 to \$4,130.....	203		199		202	
GS-1. \$3,185 to \$3,815.....	765,954		747,449		757,994	
Rates established by the act of June 20, 1958 (5 U.S.C. 1161(c)):	42		44		44	
Chief scientist.....	153,291		151,662		151,662	
Deputy administrator, nutrition and consumer use research.....	1		1		1	
Director, research division.....	18,000		18,000		18,000	
Director, research laboratory.....	1		1		1	
Salaries established under the act of April 24, 1948 (21 U.S.C. 113a):	1		1		1	
Chief scientist.....	15,500		15,500		15,500	
Director, research division.....	1		1		1	
Director, research laboratory.....	35,000		35,000		35,000	

AGRICULTURAL RESEARCH SERVICE—Continued

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL RESEARCH SERVICE—Con.

	1961 actual		1962 estimate		1963 estimate	
Grades and ranges—Continued						
Grades established under the foreign nationals pay plan:	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Mexico:						
FS-10. \$2,107 to \$2,744.....	2	\$4,638	1	\$2,532	1	\$2,532
FS-6. \$1,008 to \$1,315.....	1	1,161	2	2,221	2	2,221
FS-5. \$824 to \$1,077.....	1	951	1	1,035	1	1,035
FS-4. \$641 to \$839.....	5	4,063	7	5,081	7	5,081
FS-3. \$550 to \$714.....	8	4,973	5	3,160	5	3,160
FS-2. \$458 to \$601.....	3	1,541	3	1,612	3	1,612
FS-1. \$385 to \$506.....	9	3,966	10	4,511	10	4,511
Italy:						
FS-5. \$1,874 to \$2,372.....			1	1,874	1	1,874
France:						
FS-8. \$2,842 to \$3,400.....	3	9,372	3	9,470	3	9,470
FS-7. \$2,563 to \$3,121.....	1	2,754	1	2,846	1	2,846
FS-3. \$1,654 to \$2,073.....	1	1,794	1	1,867	1	1,867
Morocco:						
FS-6. \$1,676 to \$2,100.....	1	1,562	1	1,747	1	1,747
Grades established under the Alaska pay plan:						
TE-14. \$16,245 to \$18,120:						
Soil scientist.....	1	17,014	1	17,014	1	17,014
TE-13. \$13,995 to \$15,870:						
Agricultural engineer.....	1	14,747	1	14,747	1	14,747
Agronomist.....	1	13,998	1	13,998	1	13,998
Animal husbandman.....	1	14,747	1	15,122	1	15,122
Pathologist.....	1	14,373	1	14,747	1	14,747
TE-12. \$11,745 to \$13,620:						
Administrative officer.....	1	12,875	1	12,875	1	12,875
Agricultural economist.....	1	12,501	1	12,875	1	12,875
Agronomist.....	1	12,501	1	12,875	1	12,875
Entomologist.....	1	12,875	1	12,875	1	12,875
Horticulturist.....	1	11,752	1	11,752	1	11,752
Soil scientist.....	1	12,501	1	12,501	1	12,501
TE-11. \$9,870 to \$11,745:						
Soil scientist.....	7	75,898	7	77,023	7	77,023
TE-9. \$8,330 to \$9,650.....	3	26,970	3	27,101	3	27,101
TE-5. \$5,690 to \$7,010.....	2	12,938	2	12,938	2	13,938
TE-4. \$5,315 to \$6,065.....	2	11,773	3	17,223	3	17,223
TE-3. \$4,940 to \$5,690.....	7	35,338	5	25,500	5	25,500
Ungraded positions at annual rates:						
\$12,210 and above:						
Animal husbandman.....	2	29,000	2	32,100	2	32,100
Less than \$12,210.....	248	687,278	238	650,308	238	650,308
Ungraded positions at hourly rates equivalent to less than \$12,210.....	1,781	8,377,260	1,880	9,163,583	1,906	9,259,231
Total permanent.....	16,355	104,009,288	17,297	111,676,863	17,683	114,228,044
Deduct lapses.....	1,234.5	7,138,687	1,282.7	7,661,300	1,127	6,651,281
Portion of salaries shown above paid by States.....	83.3	616,712	75.5	560,471	75.5	560,471
Portion of salaries shown above paid from other accounts.....	28.5	189,511	5.2	42,907	5.2	42,907
Add—						
Portion of salaries carried in other position schedules paid from this account.....	3	22,549	1.9	12,315	1.9	12,315
Net increase due to wage-board pay adjustment.....		29,586				
Net permanent (average number, net salary):						
United States and possessions.....	14,763.8	95,335,072	15,680.8	102,624,400	16,222.5	106,185,600
Foreign countries:						
U.S. rates.....	61.2	534,618	62.6	536,930	62.6	536,930
Local rates.....	186.7	246,823	192.1	263,170	192.1	263,170
Positions other than permanent:						
Temporary employment:						
United States and possessions.....	2,901,814		3,052,700		3,076,700	
Foreign countries:						
U.S. rates.....	7,327					
Local rates.....	10,957		9,800		31,700	
Part-time employment:						
United States and possessions.....	528,032		592,000		593,000	
Foreign countries: Local rates.....	182					
Intermittent employment:						
United States and possessions.....	1,232,206		1,370,200		1,370,200	
Foreign countries:						
U.S. rates.....					3,100	
Local rates.....	835		500		500	
Other personnel compensation:						
Regular pay above 52-week base.....		379,396				
Overtime and holiday pay.....		5,862,321		5,894,300		5,897,100
Nightwork differential.....		246,087		261,600		266,300
Additional pay for service abroad.....		189,287		198,900		200,400
Total personnel compensation.....	107,474,957		114,804,500		118,424,700	

	1961 actual	1962 estimate	1963 estimate
Salaries and wages are distributed as follows:			
"Salaries and expenses"	\$96,375,646	\$103,685,100	\$107,335,100
"Salaries and expenses" (special foreign currency program)	18,058	32,400	57,400
"Working capital fund, Agricultural Research Center"	1,985,421	1,917,000	1,917,000
"Advances and reimbursements"	8,812,012	8,821,300	8,800,500
"Trust funds"	283,820	348,700	314,700

COOPERATIVE STATE EXPERIMENT STATION SERVICE
PAYMENTS AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
Grades and ranges:	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Special positions at rates equal to or in excess of \$18,500:						
Administrator			1	\$19,000	1	\$19,000
GS-16. \$15,255 to \$16,295:						
Deputy administrator	1	\$15,787	1	15,787	1	16,037
Director, State experiment stations						
GS-15. \$13,730 to \$15,030:			2	23,744	2	29,744
Assistant to administrator						
Assistant director, State experiment stations	3	44,118				
Assistant to director, State experi- ment stations	1	14,394				
Deputy director, State experiment stations	1	14,706				
Director			4	57,845	4	58,863
GS-14. \$12,210 to \$13,510:						
Agricultural economist	4	49,960	4	50,710	4	51,770
Agricultural engineer	2	25,230	2	25,750	2	26,020
Agronomist	2	24,980	2	25,230	2	25,480
Animal husbandman	1	13,000	1	13,000	1	13,270
Assistant director, State experiment stations	1	12,230				
Dairy husbandman	1	12,750	1	13,000	1	13,270
Entomologist	1	13,000	1	13,270	1	13,270
Human nutritionist	1	13,000	1	13,270	1	13,270
Information specialist	1	12,750	1	13,000	1	13,270
Physiologist	1	12,750	1	12,750	1	13,000
Poultry husbandman	1	12,750	1	12,230	1	12,230
Research coordinator	1	12,480	1	12,750	1	12,750
Rural sociologist	1	12,230	1	12,480	1	12,750
Soil scientist	1	13,000	1	13,270	1	13,520
Veterinarian	1	12,750	1	12,750	1	13,000
GS-13. \$10,635 to \$11,935	13	143,086	18	199,416	20	233,878
GS-12. \$8,955 to \$10,255	3	26,895	2	17,930	1	8,955
GS-11. \$7,560 to \$8,860	1	7,571	1	7,571		
GS-9. \$6,435 to \$7,425	2	14,852	2	14,852	2	14,852
GS-7. \$5,355 to \$6,345	6	37,191	6	37,524	6	37,868
GS-6. \$4,830 to \$5,820	8	43,827	9	49,630	9	50,460
GS-5. \$4,345 to \$5,335	36	182,795	41	196,502	43	206,529
GS-4. \$4,040 to \$4,670	7	29,515	5	22,152	7	26,520
GS-3. \$3,760 to \$4,390	1	4,306	2	8,071	2	8,175
GS-2. \$3,500 to \$4,130	3	11,689	1	4,139	1	4,139
GS-1. \$3,185 to \$3,815			2	6,822	2	7,030
Total permanent	106	843,592	116	930,445	120	968,920
Deduct lapses	6.8	41,428	3	29,174	3.9	23,135
Portion of salaries shown above paid from other accounts	0.9	8,638	0.2	2,166		
Add portion of salaries carried in other position schedules paid from this account	2.5	15,500				
Net permanent (average number, net salary)	100.8	809,026	112.8	899,105	116.1	945,785
Positions other than permanent:						
Temporary employment		8,185		3,000		5,000
Intermittent employment		13,858		14,000		21,000
Other personnel compensation: Regular pay above 52-week base		3,052				
Total personnel compensation		834,121		916,105		971,785

EXTENSION SERVICE
COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-18. \$18,500:						
Administrator-----	1	\$18, 512	1	\$18, 512	1	\$18, 512
GS-17. \$16,530 to \$17,570:						
Deputy administrator-----	1	16, 536	1	16, 536	1	16, 806

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges—Continued						
GS-16. \$15,255 to \$16,295: Assistant administrator.....	2	\$31,304	2	\$31,574	2	\$31,824
GS-15. \$13,730 to \$15,030: Division director.....	7	98,822	7	99,758	7	101,359
Field assistant to administrator.....	2	29,099	2	30,076	2	28,787
Field representative.....					1	13,749
Program leader.....			1	15,038	2	30,076
GS-14. \$12,210 to \$13,510: Assistant division director.....	7	88,710	7	89,460	7	89,210
Branch chief.....	13	166,190	13	167,250	12	157,620
Director, internal audit.....	1	12,230	1	12,230	1	12,480
Program leader.....					4	48,920
Liaison with rural churches.....	1	14,040	1	14,040	1	14,040
GS-13. \$10,635 to \$11,935.....	49	557,649	48	548,105	54	620,032
GS-12. \$8,955 to \$10,255.....	8	76,690	10	95,370	10	96,180
GS-11. \$7,560 to \$8,860.....	10	79,310	9	71,719	8	63,918
GS-9. \$6,435 to \$7,425.....	13	90,085	12	84,615	13	89,275
GS-8. \$5,885 to \$6,875.....	2	12,105	3	18,991	3	19,489
GS-7. \$5,355 to \$6,345.....	19	114,942	23	138,239	24	146,432
GS-6. \$4,830 to \$5,820.....	10	54,975	11	60,985	12	66,331
GS-5. \$4,345 to \$5,335.....	49	250,124	50	253,807	54	273,191
GS-4. \$4,040 to \$4,670.....	31	131,976	32	136,552	32	138,632
GS-3. \$3,760 to \$4,390.....	7	28,165	5	20,947	5	21,259
GS-2. \$3,500 to \$4,130.....	2	7,030	2	7,238	2	7,446
Ungraded positions at hourly rates equivalent to less than \$12,210.....	2	7,717	2	7,717	2	7,904
Total permanent.....	237	1,886,211	243	1,938,759	260	2,113,472
Deduct—						
Lapses.....	10.7	82,260	11.5	76,263	12.7	96,712
Portion of salaries shown above paid from other accounts.....	1.9	20,301	0.6	7,224	0.6	6,956
Add portion of salaries carried in other position schedules paid from this account.....			0.3	1,477	0.3	1,477
Net permanent (average number, net salary).....	224.4	1,783,650	231.2	1,856,749	247	2,011,281
Positions other than permanent:						
Temporary employment.....		2,623		2,223		
Part-time employment.....		507		2,041		2,093
Other personnel compensation:						
Regular pay above 52-week base.....		5,805				
Overtime and holiday pay.....		3,198				
Payments to other agencies for reimbursable details.....		6,704		6,007		6,021
Total personnel compensation.....		1,802,487		1,867,020		2,019,395

ADVANCES AND REIMBURSEMENTS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-14. \$12,210 to \$13,510: Agricultural extension specialist in program leadership.....	1	\$12,750	1	\$13,000	1	\$13,000
GS-13. \$10,635 to \$11,935.....	1	11,690	1	11,939	1	11,939
GS-5. \$4,345 to \$5,335.....	1	4,514	1	5,845	1	5,845
Total permanent.....	3	28,954	3	30,784	3	30,784
Deduct portion of salaries shown above paid from other accounts.....			0.3	1,477	0.3	1,477
Add—						
Salary adjustments in excess of lapses.....		189				213
Portion of salaries carried in other position schedules paid from this account.....	0.6	7,536	0.1	740		
Net permanent (average number, net salary).....	3.6	36,679	2.8	30,047	2.7	29,520
Other personnel compensation:						
Regular pay above 52-week base.....		114				
Additional pay for service abroad.....		513				
Total personnel compensation.....		37,306		30,047		29,520

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-16. \$15,255 to \$16,295: Administrator.....	1	\$15,517	1	\$15,517	1	\$15,787
GS-15. \$13,730 to \$15,030: Director of division.....	2	27,498	2	27,498	2	27,810
GS-14. \$12,210 to \$13,510: Assistant director.....	1	12,230	1	12,230	1	12,480
Director of division.....	2	26,540				
GS-13. \$10,635 to \$11,935.....	11	127,777	11	129,044	11	130,355
GS-12. \$8,955 to \$10,255.....	14	133,620	14	132,580	16	151,570
GS-11. \$7,560 to \$8,860.....	7	54,267	4	31,844	7	54,557
GS-9. \$6,435 to \$7,425.....	7	46,800	6	40,518	7	47,612
GS-8. \$5,885 to \$6,875.....	3	19,323	3	19,656	3	19,656
GS-7. \$5,355 to \$6,345.....	3	19,073	3	17,929	3	18,096

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges—Continued						
GS-6. \$4,830 to \$5,820.....	3	\$17,140	4	\$23,296	4	\$23,296
GS-5. \$4,345 to \$5,335.....	13	66,166	13	66,501	14	71,347
GS-4. \$4,040 to \$4,670.....	4	17,056	4	16,952	4	17,056
GS-3. \$3,760 to \$4,390.....	3	11,295	3	11,295	6	22,590
GS-2. \$3,500 to \$4,130.....	1	3,515	2	7,030	2	7,030
GS-1. \$3,185 to \$3,815.....	1	4,139	1	4,139		
Total permanent.....	76	601,956	72	556,029	81	619,242
Deduct—						
Lapses.....	10.9	96,790	6.3	41,074	6.3	47,287
Portion of salaries shown above paid from other accounts.....	0.1	1,444	0.2	1,955	0.2	1,955
Net permanent (average number, net salary).....	65	503,722	65.5	513,000	74.5	570,000
Other personnel compensation:						
Regular pay above 52-week base.....		1,937				
Overtime and holiday pay.....		104				
Total personnel compensation.....		505,763		513,000		570,000

ADVANCES AND REIMBURSEMENTS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-15. \$13,730 to \$15,030: Director of division.....	1	\$13,749	1	\$13,749	1	\$14,061
GS-14. \$12,210 to \$13,510: Director of division.....	1	13,270				
GS-13. \$10,635 to \$11,935.....	5	57,908	5	56,099	5	57,095
GS-12. \$8,955 to \$10,255.....	13	121,785	14	132,350	14	133,140
GS-11. \$7,560 to \$8,860.....	6	48,026	6	48,776	6	46,966
GS-9. \$6,435 to \$7,425.....	5	34,383	2	14,706	2	14,852
GS-7. \$5,355 to \$6,345.....	3	17,430	3	17,930	3	18,263
GS-5. \$4,345 to \$5,335.....	10	50,960	11	54,308	11	55,309
GS-4. \$4,040 to \$4,670.....	4	18,408	2	9,048	2	8,736
GS-3. \$3,760 to \$4,390.....	4	16,121	3	12,356	3	12,356
GS-2. \$3,500 to \$4,130.....			1	3,515	1	3,515
GS-1. \$3,185 to \$3,815.....	1	3,619	1	3,619		
Total permanent.....	53	395,659	49	366,456	48	364,293
Deduct lapses.....	10.2	57,502	6.6	32,456	5.6	30,293
Net permanent (average number, net salary).....	42.8	338,157	42.4	334,000	42.4	334,000
Other personnel compensation:						
Regular pay above 52-week base.....		1,301				
Overtime and holiday pay.....		129				
Total personnel compensation.....		339,587		334,000		334,000

SOIL CONSERVATION SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO SOIL CONSERVATION SERVICE

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
SOIL CONSERVATION SERVICE						
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Administrator.....	1	\$17,514	1	\$19,000	1	\$19,000
GS-17. \$16,530 to \$17,570: Deputy administrator.....	1	17,576	1	17,576	1	17,576
GS-16. \$15,255 to \$16,295: Assistant administrator, field services.....	1	16,307	1	16,307	1	16,307
Assistant administrator, management.....	1	15,517	1	15,787	1	15,787
Assistant administrator, soil survey.....	1	15,787	1	16,037	1	16,037
Assistant administrator, watersheds.....	1	15,517	1	15,517	1	15,787
GS-15. \$13,730 to \$15,030: Assistant to the administrator.....	1	15,038	2	29,370	2	29,703
Assistant to assistant administrator for watersheds.....	1	15,038	1	15,038	1	15,038
Chief, program appraisal and internal audit.....	1	13,749	1	13,749	1	14,061
Director, administrative services division.....	1	14,394	1	14,394	1	14,706
Director, budget and finance division.....	1	14,394	1	14,394	1	14,706
Director, cartographic division.....					1	14,061
Director, engineering division.....	1	15,038	1	15,038	1	15,038
Director, farm and ranch planning division.....	1	13,749	1	14,061	1	14,394
Director, information and education division.....	1	14,394	1	14,394	1	14,706
Director, personnel management division.....	1	14,394	1	14,394	1	14,706
Director, plant technology division.....	1	15,038	1	15,038	1	15,038
Director, river basins division.....	1	14,394	1	14,706	1	15,038
Director, watershed planning division.....	1	13,749	1	14,061	1	14,394
Field representatives.....	5	71,636	5	72,572	5	73,570
Soil scientists.....	5	68,745	5	69,993	5	70,305
State conservationist.....	1	14,061	1	14,061	1	14,394

SOIL CONSERVATION SERVICE—Continued							
CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO SOIL CONSERVATION SERVICE—Con.							
	1961 actual		1962 estimate		1963 estimate		
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary	
SOIL CONSERVATION SERVICE—continued							
Grades and ranges—Continued							
GS-14. \$12,210 to \$13,510:							
Agronomist.....	1	\$13,000	1	\$13,270	1	\$13,270	
Assistant director, administrative divisions.....	4	49,440	4	49,940	4	50,980	
Assistant director, engineering division.....	1	13,520	1	13,520	1	13,520	
Assistant director, information and education division.....	1	12,230	1	12,480	1	12,750	
Assistant director, plant technology division.....	1	12,750	1	12,750	1	13,000	
Assistant director, watershed planning division.....	1	12,230	1	12,480	1	12,750	
Assistant to administrator.....	2	25,750	1	12,230	1	12,480	
Assistant to assistant administrator.....	1	13,520	1	13,520	1	12,230	
Biologist.....	1	13,270	1	13,520	1	13,520	
Branch chief, administrative division.....	9	110,590	9	112,090	9	113,940	
Chief, design and construction branch.....	1	13,520	1	13,520	1	13,520	
Chief, hydrology branch.....	1	13,520	1	13,520	1	13,520	
Chief, information service branch.....	1	12,230	1	12,480	1	12,480	
Chief, program service branch.....	1	12,230	1	12,230	1	12,480	
Chief, programing branch.....	1	12,230	1	12,480	1	12,750	
Chief, projects branch.....	1	12,230	1	12,480	1	12,750	
Director, cartographic division.....	1	13,270	1	13,520			
Director, conservation needs and records division.....	1	13,000					
Engineer, agricultural.....	1	12,230	1	12,230	1	12,480	
Engineer, civil.....	3	36,690	3	36,690	3	37,440	
Geologist.....	2	24,710	2	24,980	2	25,230	
Head, engineering and watershed planning unit.....	6	76,230	6	76,980	6	78,020	
Plant materials technician.....	1	13,270	1	13,520	1	13,520	
Range conservationist.....	1	13,270	1	12,230	1	12,480	
Soil conservationist.....	10	126,710	11	139,420	11	140,980	
Soil scientist.....	10	125,420	12	150,130	12	151,950	
State conservationist.....	43	559,360	44	575,230	44	581,470	
Woodland conservationist.....	1	13,270	1	13,520	1	13,520	
GS-13. \$10,635 to \$11,935.....	328		372		372		
		3,606,789		4,091,472		4,101,007	
GS-12. \$8,955 to \$10,255.....	597		679		695		
		5,503,230		6,374,935		6,522,581	
GS-11. \$7,560 to \$8,860.....	1,628		1,931		1,945		
		13,048,815		15,443,593		15,541,023	
GS-10. \$6,995 to \$7,985.....	1	8,486	2	16,307	2	16,637	
GS-9. \$6,435 to \$7,425.....	3,581		3,479		3,518		
		25,226,898		24,498,289		24,735,506	
GS-8. \$5,885 to \$6,875.....	2	12,771	3	19,656	3	20,151	
GS-7. \$5,355 to \$6,345.....	2,214		2,190		2,276		
		13,327,644		13,164,418		13,658,300	
GS-6. \$4,830 to \$5,820.....	1,727		2,008		2,045		
		9,590,275		11,173,844		11,365,824	
GS-5. \$4,345 to \$5,335.....	2,532		2,391		2,462		
		12,436,291		11,670,062		12,007,872	
GS-4. \$4,040 to \$4,670.....	1,504		1,512		1,549		
		6,491,103		6,521,509		6,666,607	
GS-3. \$3,760 to \$4,390.....	942		857		857		
		3,804,510		3,450,652		3,463,264	
GS-2. \$3,500 to \$4,130.....	383		262		262		
		1,460,688		1,009,145		1,014,541	
GS-1. \$3,185 to \$3,815.....	2	7,134	2	7,342	2	7,447	
Ungraded positions at annual rates less than \$12,210.....	33	199,335	24	147,112	27	165,900	
Ungraded positions at hourly rates equivalent to less than \$12,210.....	171		180		198		
		928,026		994,201		1,097,333	
Total permanent.....	15,782		16,032		16,353		
		97,547,714		100,438,984		102,261,375	
Deduct—							
Lapses.....	1,191.9		884.2		899.5		
		5,927,345		4,234,226		4,144,622	
Portion of salaries shown above paid by States.....	5.6	45,494	4.8	44,301	4.8	48,000	
Portion of salaries shown above paid from other accounts.....	9	98,927	12.6	81,258	8	51,753	
Add portion of salaries carried in other positions schedules paid from this account.....	2.9	59,355	4.6	33,152	0.3	4,000	
Net permanent (average number, net salary).....	14,578.4		15,135		15,441		
		91,535,303		96,112,351		98,021,000	
Positions other than permanent:							
Temporary employment.....	13	57,039	22.5	88,051	20.9	80,000	
Intermittent employment.....	1,357		1,524.5		1,546.1		
		5,185,373		5,770,700		5,848,000	
Other personnel compensation:							
Regular pay above 52-week base.....		354,300					
Overtime and holiday pay.....		436,625		420,411		475,000	
Nightwork differential.....		307					
Additional pay for services abroad.....		363					
Cost-of-living allowance.....		130,295		125,119		128,000	
Payments to other agencies for reimbursable details.....		22,444		20,339		22,000	
Total personnel compensation.....	15,948.4		16,682		17,008		
		97,722,049		102,536,971		104,574,000	

SOIL CONSERVATION SERVICE—continued							
Salaries and wages are distributed as follows:							
“Conservation operations”.....	\$76,341,665	\$77,794,988	\$78,685,000				
“Watershed protection”.....	12,310,151	15,094,975	16,314,000				
“Flood prevention”.....	5,124,947	5,720,253	5,470,000				
“Great Plains conservation program”.....	2,370,044	2,150,081	2,316,000				
“Water conservation and utilization projects”.....	5,632	1,100	1,000				
“Miscellaneous contributed funds”.....	151,822	321,196	336,000				
“Advances and reimbursements”.....	1,396,459	1,454,378	1,452,000				
“Conservation reserve program, Agricultural Stabilization and Conservation Service”.....	21,329						
ALLOTMENT TO FARMERS HOME ADMINISTRATION							
Grades and ranges:							
GS-14. \$12,210 to \$13,510:							
Agriculturist.....	1	13,270	1	13,520	1	13,520	
GS-13. \$10,635 to \$11,935.....	2	22,838	2	22,838	2	23,109	
GS-12. \$8,955 to \$10,255.....	1	9,485	2	18,720	2	18,720	
GS-11. \$7,560 to \$8,860.....	1	8,861	1	8,861	1	9,131	
GS-6. \$4,830 to \$5,820.....	1	5,824	1	5,824	1	5,824	
GS-5. \$4,345 to \$5,335.....			3	13,374	3	13,374	
GS-4. \$4,040 to \$4,670.....			2	8,112	2	8,112	
Total permanent.....	6	60,278	12	91,249	12	91,790	
Deduct—							
Lapses.....		8	0.3	589	0.4	1,130	
Portion of salaries shown above paid from other accounts.....	0.4	3,487	0.8	4,660	0.8	4,660	
Add portion of salaries carried in other position schedules paid from this account.....			1	4,660	1	4,660	
Net permanent (average number, net salary).....	5.6	56,783	11.9	90,660	11.8	90,660	
Other personnel compensation: Regular pay above 52-week base.....		233					
Total personnel compensation Farmers Home Administration.....		57,016		90,660		90,660	

ECONOMIC RESEARCH SERVICE							
CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO ECONOMIC RESEARCH SERVICE							
	1961 actual		1962 estimate		1963 estimate		
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary	
Grades and ranges:							
GS-17. \$16,530 to \$17,750:							
Administrator.....	1	\$16,536	1	\$16,806	1	\$16,806	
GS-16. \$15,255 to \$16,295:							
Deputy administrator.....	1	16,307	2	31,574	2	31,824	
Division director.....	3	47,091	3	47,611	3	47,861	
Outlook officer.....	1	16,307	1	16,307	1	16,307	
GS-15. \$13,730 to \$15,030:							
Agricultural economist.....	3	41,247	2	27,498	2	28,112	
Assistant director.....	4	33,701	4	57,721	4	58,345	
Branch chief.....	11	154,754	14	196,001	14	198,248	
Deputy division director.....	1	15,038	1	15,038	1	15,038	
Division director.....	2	28,455	4	56,577	4	56,597	
Executive director.....	1	14,394	1	14,394	1	14,706	
GS-14. \$12,210 to \$13,510:							
Agricultural economist.....	19	241,150	29	362,910	30	380,421	
Assistant branch chief.....			2	25,480	2	25,730	
Branch chief.....	6	76,960	12	153,730	12	161,366	
Deputy division director.....	1	12,750	1	13,000	1	13,000	
Division director.....	2	25,750					
Information specialist.....	2	24,460	1	12,230	1	12,480	
Section head.....	23	291,880	21	265,320	21	270,520	
Staff assistant.....	1	13,520	1	13,520	1	13,520	
Veterinary analyst.....	1	12,480	1	12,750	1	12,750	
GS-13. \$10,635 to \$11,935.....	117		123		136		
		1,300,752		1,373,925		1,496,296	
GS-12. \$8,955 to \$10,255.....	133		151		169		
		1,258,745		1,416,625		1,590,350	
GS-11. \$7,560 to \$8,860.....	128		127		140		
		994,966		998,275		1,107,015	
GS-9. \$6,435 to \$7,425.....	141	928,525	111	744,195	123	811,385	
GS-8. \$5,885 to \$6,875.....	3	19,656	2	13,271	2	13,437	
GS-7. \$5,355 to \$6,345.....	103	596,070	96	558,020	103	625,014	
GS-6. \$4,830 to \$5,820.....	38	210,625	47	260,981	55	318,087	
GS-5. \$4,345 to \$5,335.....	182		206		240		
		915,843		1,008,504		1,186,492	
GS-4. \$4,040 to \$4,670.....	152	677,435	172	755,780	190	847,820	
GS-3. \$3,760 to \$4,390.....	96	371,454	108	418,798	108	424,414	
GS-2. \$3,500 to \$4,130.....	22	78,682	8	29,888	8	30,304	
GS-1. \$3,185 to \$3,815.....	5	16,951	8	27,808	8	28,224	
Ungraded positions at annual rates less than \$12,210.....	19	121,722	16	105,683	16	105,683	
Ungraded positions at hourly rates equivalent to less than \$12,210.....			1	3,162	1	3,162	
Total permanent.....	1,220		1,277		1,401		
		8,569,168		9,053,382		9,961,314	
Deduct—							
Lapses.....	274.3		288.3		309.6		
		1,733,954		1,632,980		1,784,329	

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL RESEARCH SERVICE

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Administrator.....	1	\$19,000	1	\$19,000	1	\$19,000
Associate administrator.....	1	18,500	1	18,500	1	18,500
GS-18. \$18,500:						
Deputy administrator, farm research.....	1	18,512	1	18,512	1	18,512
Deputy administrator, regulatory.....	1	18,512	1	18,512	1	18,512
Deputy administrator, research planning and coordination.....	1	18,512	1	18,512	1	18,512
Deputy administrator, utilization research and development.....	1	18,512	1	18,512	1	18,512
GS-17. \$16,530 to \$17,570:						
Assistant administrator, utilization research and development.....	1	16,806	1	17,056	1	17,056
GS-16. \$15,255 to \$16,295:						
Assistant administrator, farm research.....	1	15,517	1	15,787	1	15,787
Assistant administrator, regulatory programs.....	1	16,307	1	16,307	1	16,307
Deputy administrator, administrative management.....	1	16,307	1	16,307	1	16,307
Director, regulatory division.....	2	30,784	2	31,054	2	31,304
Director, research division.....	2	31,034	2	31,034	2	31,304
GS-15. \$13,730 to \$15,030:						
Agronomist.....	1	13,749	1	13,749	1	13,749
Assistant administrator.....	2	29,099	2	29,432	2	29,432
Assistant director, regulatory division.....	10	138,738	10	139,362	10	140,340
Assistant director, research division.....	13	181,899	14	196,292	14	196,292
Assistant director, research laboratory.....	2	28,455	2	28,767	2	28,767
Assistant to administrator.....	1	14,061	1	14,061	1	14,394
Assistant to administrator, farm research.....	2	29,744	2	30,347	2	30,347
Assistant to administrator, research advisory committee.....	1	15,038	1	15,038	1	15,038
Assistant to administrator, utilization research and development.....	2	27,810	2	28,455	2	28,455
Assistant to director, research.....	1	14,061	1	14,061	1	14,394
Associate director, regulatory division.....	4	58,802	4	58,802	4	58,802
Bacteriologist.....	2	27,810	2	27,498	2	27,498
Biochemist.....	2	27,810	2	28,143	2	28,143
Biologist.....	20	276,810	21	291,558	21	291,558
Branch chief, research.....	6	85,031	5	70,992	5	70,992
Chemist.....	17	239,120	18	253,826	18	253,826
Chief, research laboratory.....	1	14,061	1	14,061	1	14,061
Dairy husbandman.....	1	15,038	1	15,038	1	15,038
Director, administrative services division.....	1	15,309	1	15,309	1	15,309
Director, budget and finance division.....	1	15,038	1	15,038	1	15,038
Director, information division.....	1	15,309	1	15,309	1	15,309
Director, internal audit staff.....	1	14,061	1	14,061	1	14,061
Director, National Arboretum.....	1	13,749	1	13,749	1	13,749
Director, personnel division.....	3	44,138	4	58,199	4	58,531
Director, regulatory division.....	2	29,058	2	28,122	2	28,122
Director, foreign regional research.....	7	104,188	3	44,741	3	44,741
Director, research division.....	1	13,749	1	13,749	1	13,749
Geneticist.....	1	14,394	1	14,394	1	14,706
Head, biometrics services.....	1	13,749	1	13,749	1	13,749
Horticulturist.....	2	28,122	1	14,394	1	14,394
Pathologist.....	1	13,749	1	13,749	1	13,749
Physicist.....	1	13,749	1	13,749	1	13,749
Physiologist.....	1	13,749	1	14,061	1	14,061
Soil scientist.....	1	13,749	2	27,498	2	27,498
Veterinarian.....	2	27,810	9	124,053	9	124,053
GS-14. \$12,210 to \$13,510:						
Administrative officer.....	5	63,730	6	76,480	6	76,480
Agricultural economist.....	4	50,190	5	62,690	5	62,690
Agricultural engineer.....	4	50,460	4	50,730	4	50,730
Agriculturist.....	12	154,270	13	166,730	13	168,250
Agronomist.....	8	98,610	10	123,320	10	123,320
Analytical statistician.....	2	25,750	3	38,250	3	38,500
Assistant branch chief, research.....	20	246,390	20	245,870	20	245,870
Assistant director, administrative services division.....	1	12,480	1	12,750	1	12,750
Assistant director, budget and finance division.....	2	26,020	2	26,270	2	26,270
Assistant director, information division.....	1	12,480	1	12,480	1	12,750
Assistant director, internal audit staff.....	2	24,980	2	25,480	2	25,480
Assistant director, personnel division.....	1	12,750	1	13,000	1	13,000
Assistant director, regulatory division.....	8	102,770	8	101,730	8	102,750
Assistant director, foreign regional research.....	1	12,750	1	12,750	1	12,750
Assistant director, research division.....	14	179,980	16	205,770	16	205,770
Grades and ranges—Continued						
GS-14. \$12,210 to \$13,510—Continued						
Assistant to director, research division.....	4	\$51,750	3	\$38,500	3	\$38,500
Assistant to administrator, utilization research and development.....	1	13,520	1	13,520	1	13,520
Associate director, regulatory division.....	1	12,230	1	12,230	1	12,230
Bacteriologist.....	5	62,690	8	99,920	8	99,920
Biochemist.....	8	100,150	10	124,360	10	124,360
Biologist.....	2	24,980	1	13,000	2	25,500
Botanist.....	1	12,480	1	12,480	1	12,480
Branch chief, administrative services.....	1	12,480	3	37,210	3	37,210
Branch chief, budget and finance.....	3	37,440	3	38,250	3	38,250
Branch chief, regulatory.....	1	12,750				
Branch chief, research.....	13	161,820	14	174,820	14	174,820
Business manager, regional business office.....	4	51,750	4	52,020	4	52,810
Chemical engineer.....	2	26,270	3	38,500	3	38,500
Chemist.....	35	437,730	47	587,190	48	599,420
Chief hydrologist.....	1	12,230	1	12,230	1	12,230
Chief, irrigation engineer.....	1	12,230	1	12,230	1	12,230
Chief, physicist.....	1	12,230	1	12,230	1	12,230
Chief, research laboratory.....	23	293,630	26	331,670	26	331,670
Cotton technologist.....	3	37,210	3	37,460	3	37,460
Dairy husbandman.....	2	25,750	2	26,000	2	26,000
Dairy manufacturing technologist.....	1	12,480	1	12,480	1	12,480
Director, data processing division.....	1	12,750	1	13,000	1	13,000
Director, management research and organization division.....	1	12,480	1	12,750	1	12,750
Engineer.....	1	13,520				
Entomologist.....	10	123,590	14	173,010	14	173,010
Fiber technologist.....	1	12,480	1	12,480	1	12,480
Food technologist.....	1	12,230	2	24,710	2	24,710
Geneticist.....	6	74,150	6	74,400	6	74,400
Head, central project office.....	1	12,230	1	12,480	1	12,480
Horticulturist.....	1	13,520				
Hydraulic engineer.....	3	36,690	5	61,150	5	61,150
Industrial analyst.....			3	36,690	3	36,690
Information specialist.....	3	37,460	3	36,940	3	37,190
Mathematical statistician.....			1	12,230	1	12,230
Mechanical engineer.....	1	12,230	1	12,230	1	12,230
Microbiologist.....	2	24,460	6	73,880	6	73,880
Mycologist.....	1	12,750				
Parasitologist.....	3	37,460	8	99,130	8	99,130
Pathologist.....	9	111,090	9	111,360	9	111,360
Personnel officer.....	2	25,230	4	50,210	4	50,210
Pharmacologist.....	1	12,750	1	12,750	1	12,750
Physical scientist.....	3	38,480	3	36,940	3	36,940
Physicist.....	2	24,460	3	36,690	3	36,690
Physiologist.....	7	86,880	7	86,630	7	86,630
Plant pest control officer.....	5	64,000	5	66,310	5	67,120
Plant quarantine inspector.....	4	49,920	5	62,170	5	62,440
Poultry husbandman.....	1	12,230	1	12,230	1	12,230
Publication writer.....	1	13,000	1	13,270	1	13,270
Research coordinator.....	6	80,370	6	79,600	6	79,600
Safety officer.....	1	12,750	1	12,750	1	13,000
Soil scientist.....	10	122,550	11	135,030	11	135,030
Superintendent of operations.....	1	13,520	1	13,790	1	13,790
Veterinarian.....	52	659,140	74	911,830	78	963,000
GS-13. \$10,635 to \$11,935.....	636		754		767	
		7,096,067		8,332,904		8,475,164
GS-12. \$8,955 to \$10,255.....	1,063		1,480		1,522	
		10,177,030		13,861,335		14,241,615
GS-11. \$7,560 to \$8,860.....	1,748		1,961		2,000	
		14,231,298		15,644,270		15,964,039
GS-10. \$6,995 to \$7,985.....	1	7,675	1	7,821	1	7,987
GS-9. \$6,435 to \$7,425.....	2,031		1,650		1,686	
		14,228,081		11,420,136		11,660,664
GS-8. \$5,885 to \$6,875.....	539		546		563	
		3,619,208		3,679,414		3,794,176
GS-7. \$5,355 to \$6,345.....	2,615		2,989		3,113	
		15,537,336		17,690,318		18,473,327
GS-6. \$4,830 to \$5,820.....	197		201		201	
		1,096,731		1,115,470		1,116,135
GS-5. \$4,345 to \$5,335.....	2,348		2,277		2,321	
		11,367,107		11,077,724		11,308,392
GS-4. \$4,040 to \$4,670.....	1,206		1,319		1,351	
		5,347,662		5,792,784		5,924,552
GS-3. \$3,760 to \$4,390.....	1,154		1,123		1,127	
		4,685,113		4,551,645		4,567,620
GS-2. \$3,500 to \$4,130.....	203		199		202	
		765,954		747,449		757,994
GS-1. \$3,185 to \$3,815.....	42		44		44	
		153,291		151,662		151,662
Rates established by the act of June 20, 1958 (5 U.S.C. 1161(c)):						
Chief scientist.....	1	19,000	1	19,000	1	19,000
Deputy administrator, nutrition and consumer use research.....	1	18,500	1	18,500	1	18,500
Director, research division.....	6	94,500	9	141,000	9	141,000
Salaries established under the act of April 24, 1948 (21 U.S.C. 113a):						
Chief scientist.....			2	31,000	2	31,000
Director, research division.....	1	15,500	1	15,500	1	15,500
Director, research laboratory.....	2	35,000	2	35,000	2	35,000

AGRICULTURAL RESEARCH SERVICE—Continued

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL RESEARCH SERVICE—Con.

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges—Continued						
Grades established under the foreign nationals pay plan:						
Mexico:						
FS-10. \$2,107 to \$2,744	2	\$4,638	1	\$2,532	1	\$2,532
FS-6. \$1,008 to \$1,315	1	1,161	2	2,221	2	2,221
FS-5. \$824 to \$1,077	1	951	1	1,035	1	1,035
FS-4. \$641 to \$839	5	4,063	7	5,081	7	5,081
FS-3. \$550 to \$714	8	4,973	5	3,160	5	3,160
FS-2. \$458 to \$601	3	1,541	3	1,612	3	1,612
FS-1. \$385 to \$506	9	3,966	10	4,511	10	4,511
Italy:						
FS-5. \$1,874 to \$2,372			1	1,874	1	1,874
France:						
FS-8. \$2,842 to \$3,400	3	9,372	3	9,470	3	9,470
FS-7. \$2,563 to \$3,121	1	2,754	1	2,846	1	2,846
FS-3. \$1,654 to \$2,073	1	1,794	1	1,867	1	1,867
Morocco:						
FS-6. \$1,676 to \$2,100	1	1,562	1	1,747	1	1,747
Grades established under the Alaska pay plan:						
TE-14. \$16,245 to \$18,120:						
Soil scientist	1	17,014	1	17,014	1	17,014
TE-13. \$13,995 to \$15,870:						
Agricultural engineer	1	14,747	1	14,747	1	14,747
Agronomist	1	13,998	1	13,998	1	13,998
Animal husbandman	1	14,747	1	15,122	1	15,122
Pathologist	1	14,373	1	14,747	1	14,747
TE-12. \$11,745 to \$13,620:						
Administrative officer	1	12,875	1	12,875	1	12,875
Agricultural economist	1	12,501	1	12,875	1	12,875
Agronomist	1	12,501	1	12,875	1	12,875
Entomologist	1	12,875	1	12,875	1	12,875
Horticulturist	1	11,752	1	11,752	1	11,752
Soil scientist	1	12,501	1	12,501	1	12,501
TE-11. \$9,870 to \$11,745:						
Soil scientist	7	75,898	7	77,023	7	77,023
TE-9. \$8,330 to \$9,650:						
Soil scientist	3	26,970	3	27,101	3	27,101
TE-5. \$5,690 to \$7,010:						
Soil scientist	2	12,938	2	12,938	2	12,938
TE-4. \$5,315 to \$6,065:						
Soil scientist	2	11,773	3	17,223	3	17,223
TE-3. \$4,940 to \$5,690:						
Soil scientist	7	35,338	5	25,500	5	25,500
Ungraded positions at annual rates:						
\$12,210 and above:						
Animal husbandman	2	29,000	2	32,100	2	32,100
Less than \$12,210	248	687,278	238	650,308	238	650,308
Ungraded positions at hourly rates equivalent to less than \$12,210						
	1,781	8,377,260	1,880	9,163,583	1,906	9,259,231
Total permanent	16,355	104,009,288	17,297	111,676,863	17,683	114,228,044
Deduct lapses	1,234.5	7,138,687	1,282.7	7,661,300	1,127	6,651,281
Portion of salaries shown above paid by States	83.3	616,712	75.5	560,471	75.5	560,471
Portion of salaries shown above paid from other accounts	28.5	189,511	5.2	42,907	5.2	42,907
Add—						
Portion of salaries carried in other position schedules paid from this account	3	22,549	1.9	12,315	1.9	12,315
Net increase due to wage-board pay adjustment		29,586				
Net permanent (average number, net salary):						
United States and possessions	14,763.8	95,335,072	15,680.8	102,624,400	16,222.5	106,185,600
Foreign countries:						
U.S. rates	61.2	534,618	62.6	536,930	62.6	536,930
Local rates	186.7	246,823	192.1	263,170	192.1	263,170
Positions other than permanent:						
Temporary employment:						
United States and possessions:						
Foreign countries:						
U.S. rates	2,901,814	7,327	3,052,700	9,800	3,076,700	31,700
Local rates		10,957				
Part-time employment:						
United States and possessions:						
Foreign countries:						
U.S. rates	528,032	182	592,000		593,000	
Local rates						
Intermittent employment:						
United States and possessions:						
Foreign countries:						
U.S. rates	1,232,206		1,370,200		1,370,200	
Local rates						
Other personnel compensation:						
Regular pay above 52-week base:						
Overtime and holiday pay	379,396		5,894,300		5,897,100	
Nightwork differential	5,862,321		261,600		266,300	
Additional pay for service abroad	246,087		198,900		200,400	
Total personnel compensation	107,474,957		114,804,500		118,424,700	

	1961 actual	1962 estimate	1963 estimate
Salaries and wages are distributed as follows:			
"Salaries and expenses"	\$96,375,646	\$103,685,100	\$107,335,100
"Salaries and expenses" (special foreign currency program)	18,058	32,400	57,400
"Working capital fund, Agricultural Research Center"	1,985,421	1,917,000	1,917,000
"Advances and reimbursements"	8,812,012	8,821,300	8,800,500
"Trust funds"	283,820	348,700	314,700

COOPERATIVE STATE EXPERIMENT STATION SERVICE

PAYMENTS AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Administrator			1	\$19,000	1	\$19,000
GS-16. \$15,255 to \$16,295:						
Deputy administrator			1	15,787	1	16,037
Director, State experiment stations	1	\$15,787				
GS-15. \$13,730 to \$15,030:						
Assistant to administrator			2	23,744	2	29,744
Assistant director, State experiment stations	3	44,118				
Assistant to director, State experiment stations	1	14,394				
Deputy director, State experiment stations	1	14,706				
Director			4	57,845	4	58,863
GS-14. \$12,210 to \$13,510:						
Agricultural economist	4	49,960	4	50,710	4	51,770
Agricultural engineer	2	25,230	2	25,750	2	26,020
Agronomist	2	24,980	2	25,230	2	25,480
Animal husbandman	1	13,000	1	13,000	1	13,270
Assistant director, State experiment stations	1	12,230	1	13,000	1	13,270
Dairy husbandman	1	12,750	1	13,270	1	13,270
Entomologist	1	13,000	1	13,270	1	13,270
Human nutritionist	1	13,000	1	13,270	1	13,270
Information specialist	1	12,750	1	13,000	1	13,270
Physiologist	1	12,750	1	12,750	1	13,000
Poultry husbandman	1	12,750	1	12,230	1	12,230
Research coordinator	1	12,480	1	12,750	1	12,750
Rural sociologist	1	12,230	1	12,480	1	12,750
Soil scientist	1	13,000	1	13,270	1	13,520
Veterinarian	1	12,750	1	12,750	1	13,000
GS-13. \$10,635 to \$11,935:						
GS-12. \$8,955 to \$10,255:						
GS-11. \$7,560 to \$8,860:						
GS-9. \$6,435 to \$7,425:						
GS-7. \$5,355 to \$6,345:						
GS-6. \$4,830 to \$5,820:						
GS-5. \$4,345 to \$5,335:						
GS-4. \$4,040 to \$4,670:						
GS-3. \$3,760 to \$4,390:						
GS-2. \$3,500 to \$4,130:						
GS-1. \$3,185 to \$3,815:						
Total permanent	106	843,592	116	930,445	120	968,920
Deduct lapses	6.8	41,428	3	29,174	3.9	23,135
Portion of salaries shown above paid from other accounts	0.9	8,638	0.2	2,166		
Add portion of salaries carried in other position schedules paid from this account	2.5	15,500				
Net permanent (average number, net salary)	100.8	809,026	112.8	899,105	116.1	945,785
Positions other than permanent:						
Temporary employment:						
Intermittent employment		8,185		3,000		5,000
Other personnel compensation: Regular pay above 52-week base		13,858		14,000		21,000
Total personnel compensation		3,052				
		834,121		916,105		971,785

EXTENSION SERVICE

COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-18. \$18,500:						
Administrator	1	\$18,512	1	\$18,512	1	\$18,512
GS-17. \$16,530 to \$17,570:						
Deputy administrator	1	16,536	1	16,536	1	16,806

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges—Continued						
GS-16. \$15,255 to \$16,295:						
Assistant administrator.....	2	\$31,304	2	\$31,574	2	\$31,824
GS-15. \$13,730 to \$15,030:						
Division director.....	7	98,822	7	99,758	7	101,359
Field assistant to administrator.....	2	29,099	2	30,076	2	28,787
Field representative.....					1	13,749
Program leader.....			1	15,038	2	30,076
GS-14. \$12,210 to \$13,510:						
Assistant division director.....	7	88,710	7	89,460	7	89,210
Branch chief.....	13	166,190	13	167,250	12	157,620
Director, internal audit.....	1	12,230	1	12,230	1	12,480
Program leader.....					4	48,920
Liaison with rural churches.....	1	14,040	1	14,040	1	14,040
GS-13. \$10,635 to \$11,935:	49	557,649	48	548,105	54	620,032
GS-12. \$8,955 to \$10,255:	8	76,690	10	95,370	10	96,180
GS-11. \$7,560 to \$8,860:	10	79,310	9	71,719	8	63,918
GS-9. \$6,435 to \$7,425:	13	90,085	12	84,615	13	89,275
GS-8. \$5,885 to \$6,875:	2	12,105	3	18,991	3	19,489
GS-7. \$5,355 to \$6,345:	19	114,942	23	138,239	24	146,432
GS-6. \$4,830 to \$5,820:	10	54,975	11	60,985	12	66,331
GS-5. \$4,345 to \$5,335:	49	250,124	50	253,807	54	273,191
GS-4. \$4,040 to \$4,670:	31	131,976	32	136,552	32	138,632
GS-3. \$3,760 to \$4,390:	7	28,165	5	20,947	5	21,259
GS-2. \$3,500 to \$4,130:	2	7,030	2	7,238	2	7,446
Ungraded positions at hourly rates equivalent to less than \$12,210.....	2	7,717	2	7,717	2	7,904
Total permanent.....	237	1,886,211	243	1,938,759	260	2,113,472
Deduct—						
Lapses.....	10.7	82,260	11.5	76,263	12.7	96,712
Portion of salaries shown above paid from other accounts.....	1.9	20,301	0.6	7,224	0.6	6,956
Add portion of salaries carried in other position schedules paid from this account.....			0.3	1,477	0.3	1,477
Net permanent (average number, net salary).....	224.4	1,783,650	231.2	1,856,749	247	2,011,281
Positions other than permanent:						
Temporary employment.....		2,623		2,223		
Part-time employment.....		507		2,041		2,093
Other personnel compensation:						
Regular pay above 52-week base.....		5,805				
Overtime and holiday pay.....		3,198				
Payments to other agencies for reimbursable details.....		6,704		6,007		6,021
Total personnel compensation.....	1,802,487	1,867,020	1,867,020	2,019,395		

ADVANCES AND REIMBURSEMENTS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-14. \$12,210 to \$13,510:						
Agricultural extension specialist in program leadership.....	1	\$12,750	1	\$13,000	1	\$13,000
GS-13. \$10,635 to \$11,935:	1	11,690	1	11,939	1	11,939
GS-5. \$4,345 to \$5,335:	1	4,514	1	5,845	1	5,845
Total permanent.....	3	28,954	3	30,784	3	30,784
Deduct portion of salaries shown above paid from other accounts.....			0.3	1,477	0.3	1,477
Add—						
Salary adjustments in excess of lapses.....		189				213
Portion of salaries carried in other position schedules paid from this account.....	0.6	7,536	0.1	740		
Net permanent (average number, net salary).....	3.6	36,679	2.8	30,047	2.7	29,520
Other personnel compensation:						
Regular pay above 52-week base.....		114				
Additional pay for service abroad.....		513				
Total personnel compensation.....	37,306	30,047	29,520			

FARMER COOPERATIVE SERVICE

SALARIES AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-16. \$15,255 to \$16,295:						
Administrator.....	1	\$15,517	1	\$15,517	1	\$15,787
GS-15. \$13,730 to \$15,030:						
Director of division.....	2	27,498	2	27,498	2	27,810
GS-14. \$12,210 to \$13,510:						
Assistant director.....	1	12,230	1	12,230	1	12,480
Director of division.....	2	26,540				
GS-13. \$10,635 to \$11,935:	11	127,777	11	129,044	11	130,355
GS-12. \$8,955 to \$10,255:	14	133,620	14	132,580	16	151,570
GS-11. \$7,560 to \$8,860:	7	54,267	4	31,844	7	54,557
GS-9. \$6,435 to \$7,425:	7	46,800	6	40,518	7	47,612
GS-8. \$5,885 to \$6,875:	3	19,323	3	19,656	3	19,656
GS-7. \$5,355 to \$6,345:	3	19,073	3	17,929	3	18,096

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges—Continued						
GS-6. \$4,830 to \$5,820.....	3	\$17,140	4	\$23,296	4	\$23,296
GS-5. \$4,345 to \$5,335.....	13	66,166	13	66,501	14	71,847
GS-4. \$4,040 to \$4,670.....	4	17,056	4	16,952	4	17,056
GS-3. \$3,760 to \$4,390.....	3	11,295	3	11,295	6	22,590
GS-2. \$3,500 to \$4,130.....	1	3,515	2	7,030	2	7,030
GS-1. \$3,185 to \$3,815.....	1	4,139	1	4,139		
Total permanent.....	76	601,956	72	556,029	81	619,242
Deduct—						
Lapses.....	10.9	96,790	6.3	41,074	6.3	47,287
Portion of salaries shown above paid from other accounts.....	0.1	1,444	0.2	1,955	0.2	1,955
Net permanent (average number, net salary).....	65	503,722	65.5	513,000	74.5	570,000
Other personnel compensation:						
Regular pay above 52-week base.....		1,937				
Overtime and holiday pay.....		104				
Total personnel compensation.....	505,763	513,000	570,000			

ADVANCES AND REIMBURSEMENTS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-15. \$13,730 to \$15,030:						
Director of division.....	1	\$13,749	1	\$13,749	1	\$14,061
GS-14. \$12,210 to \$13,510:						
Director of division.....	1	13,270				
GS-13. \$10,635 to \$11,935:	5	57,908	5	56,099	5	57,095
GS-12. \$8,955 to \$10,255:	13	121,785	14	132,350	14	133,140
GS-11. \$7,560 to \$8,860:	6	48,026	6	48,776	6	46,966
GS-9. \$6,435 to \$7,425:	5	34,383	2	14,706	2	14,852
GS-7. \$5,355 to \$6,345:	3	17,430	3	17,930	3	18,263
GS-5. \$4,345 to \$5,335:	10	50,960	11	54,308	11	55,309
GS-4. \$4,040 to \$4,670:	4	18,408	2	9,048	2	8,736
GS-3. \$3,760 to \$4,390:	4	16,121	3	12,356	3	12,356
GS-2. \$3,500 to \$4,130:			1	3,515	1	3,515
GS-1. \$3,185 to \$3,815:	1	3,619	1	3,619		
Total permanent.....	53	395,659	49	366,456	48	364,293
Deduct lapses.....	10.2	57,502	6.6	32,456	5.6	30,293
Net permanent (average number, net salary).....	42.8	338,157	42.4	334,000	42.4	334,000
Other personnel compensation:						
Regular pay above 52-week base.....		1,301				
Overtime and holiday pay.....		129				
Total personnel compensation.....	339,587	334,000	334,000			

SOIL CONSERVATION SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO SOIL CONSERVATION SERVICE

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
SOIL CONSERVATION SERVICE						
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Administrator.....	1	\$17,514	1	\$19,000	1	\$19,000
GS-17. \$16,530 to \$17,570:						
Deputy administrator.....	1	17,576	1	17,576	1	17,576
GS-16. \$15,255 to \$16,295:						
Assistant administrator, field services.....	1	16,307	1	16,307	1	16,307
Assistant administrator, management.....	1	15,517	1	15,787	1	15,787
Assistant administrator, soil survey.....	1	15,787	1	16,037	1	16,037
Assistant administrator, watersheds.....	1	15,517	1	15,517	1	15,787
GS-15. \$13,730 to \$15,030:						
Assistant to the administrator.....	1	15,038	2	29,370	2	29,703
Assistant to assistant administrator for watersheds.....	1	15,038	1	15,038	1	15,038
Chief, program appraisal and internal audit.....	1	13,749	1	13,749	1	14,061
Director, administrative services division.....	1	14,394	1	14,394	1	14,706
Director, budget and finance division.....	1	14,394	1	14,394	1	14,706
Director, cartographic division.....	1	15,038	1	15,038	1	15,038
Director, engineering division.....	1	15,038	1	15,038	1	15,038
Director, farm and ranch planning division.....	1	13,749	1	14,061	1	14,394
Director, information and education division.....	1	14,394	1	14,394	1	14,706
Director, personnel management division.....	1	14,394	1	14,394	1	14,706
Director, plant technology division.....	1	15,038	1	15,038	1	15,038
Director, river basins division.....	1	14,394	1	14,706	1	15,038
Director, watershed planning division.....	1	13,749	1	14,061	1	14,394
Field representatives.....	5	71,636	5	72,572	5	73,570
State scientists.....	5	68,745	5	69,993	5	70,305
State conservationist.....	1	14,061	1	14,061	1	14,394

SOIL CONSERVATION SERVICE—Continued				SOIL CONSERVATION SERVICE—Continued				1961 actual	1962 estimate	1963 estimate			
CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO SOIL CONSERVATION SERVICE—Con.				Salaries and wages are distributed as follows:				Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
	1961 actual	1962 estimate	1963 estimate										
SOIL CONSERVATION SERVICE—continued				Grades and ranges: GS-14. \$12,210 to \$13,510:									
Grades and ranges—Continued				Grades and ranges:									
GS-14. \$12,210 to \$13,510:				GS-14. \$12,210 to \$13,510:									
Agronomist	1	\$13,000	1	\$13,270	1	\$13,270							
Assistant director, administrative divisions	4	49,440	4	49,940	4	50,980							
Assistant director, engineering division	1	13,520	1	13,520	1	13,520							
Assistant director, information and education division	1	12,230	1	12,480	1	12,750							
Assistant director, plant technology division	1	12,750	1	12,750	1	13,000							
Assistant director, watershed planning division	1	12,230	1	12,480	1	12,750							
Assistant to administrator	2	25,750	1	12,230	1	12,480							
Assistant to assistant administrator	1	13,520	1	13,520	1	12,230							
Biologist	1	13,270	1	13,520	1	13,520							
Branch chief, administrative division	9	110,590	9	112,090	9	113,940							
Chief, design and construction branch	1	13,520	1	13,520	1	13,520							
Chief, hydrology branch	1	13,520	1	13,520	1	13,520							
Chief, information service branch	1	12,230	1	12,480	1	12,480							
Chief, program service branch	1	12,230	1	12,230	1	12,480							
Chief, programing branch	1	12,230	1	12,480	1	12,750							
Chief, projects branch	1	12,230	1	12,480	1	12,750							
Director, cartographic division	1	13,270	1	13,520									
Director, conservation needs and records division	1	13,000											
Engineer, agricultural	1	12,230	1	12,230	1	12,480							
Engineer, civil	3	36,690	3	36,690	3	37,440							
Geologist	2	24,710	2	24,980	2	25,230							
Head, engineering and watershed planning unit	6	76,230	6	76,980	6	78,020							
Plant materials technician	1	13,270	1	13,520	1	13,520							
Range conservationist	1	13,270	1	12,230	1	12,480							
Soil conservationist	10	126,710	11	139,420	11	140,980							
Soil scientist	10	125,420	12	150,130	12	151,950							
State conservationist	43	559,360	44	575,230	44	581,470							
Woodland conservationist	1	13,270	1	13,520	1	13,520							
GS-13. \$10,635 to \$11,935	328		372		372								
GS-12. \$8,955 to \$10,255	597	3,606,789	679	4,091,472	695	4,101,007							
GS-11. \$7,560 to \$8,860	1,628	5,503,230	1,931	6,374,935	1,945	6,522,581							
GS-10. \$6,995 to \$7,985	1	13,048,815	2	15,443,593	2	15,541,023							
GS-9. \$6,435 to \$7,425	3,581	8,486	2	16,307	3,518	16,637							
GS-8. \$5,885 to \$6,875	2	25,226,898	3,479	24,498,289	2	24,735,506							
GS-7. \$5,355 to \$6,345	2,214	12,771	2,190	19,656	2,276	20,151							
GS-6. \$4,830 to \$5,820	1,727	13,327,644	2,008	13,164,418	2,045	13,658,300							
GS-5. \$4,345 to \$5,335	2,532	9,590,275	2,391	11,173,844	2,462	11,365,824							
GS-4. \$4,040 to \$4,670	1,504	12,436,291	1,512	11,670,062	1,549	12,007,872							
GS-3. \$3,760 to \$4,390	942	6,491,103	857	6,521,509	857	6,666,607							
GS-2. \$3,500 to \$4,130	383	3,804,510	262	3,450,652	262	3,463,264							
GS-1. \$3,185 to \$3,815	2	1,460,688	2	1,009,145	2	1,014,541							
Ungraded positions at annual rates less than \$12,210	33	7,134	24	7,342	27	7,447							
Ungraded positions at hourly rates equivalent to less than \$12,210	171	199,335	180	147,112	198	165,900							
		928,026		994,201		1,097,333							
Total permanent	15,782		16,032		16,353								
Deduct—		97,547,714		100,438,984		102,261,375							
Lapses	1,191.9		884.2		899.5								
Portion of salaries shown above paid by States	5,927,345		4,234,226		4,144,622								
Portion of salaries shown above paid from other accounts	5.6	45,494	4.8	44,301	4.8	48,000							
Add portion of salaries carried in other positions schedules paid from this account	9	98,927	12.6	81,258	8	51,753							
	2.9	59,355	4.6	33,152	0.3	4,000							
Net permanent (average number, net salary)	14,578.4		15,135		15,441								
Positions other than permanent:		91,535,303		96,112,351		98,021,000							
Temporary employment	13	57,039	22.5	88,051	20.9	80,000							
Intermittent employment	1,357	5,185,373	1,524.5	5,770,700	1,546.1	5,848,000							
Other personnel compensation:													
Regular pay above 52-week base		354,300											
Overtime and holiday pay		436,625		420,411		475,000							
Nightwork differential		307											
Additional pay for services abroad		363											
Cost-of-living allowance		130,295		125,119		128,000							
Payments to other agencies for reimbursable details		22,444		20,339		22,000							
Total personnel compensation	15,948.4		16,682		17,008								
	97,722,049		102,536,971		104,574,000								

ECONOMIC RESEARCH SERVICE				ECONOMIC RESEARCH SERVICE				1961 actual	1962 estimate	1963 estimate			
CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO ECONOMIC RESEARCH SERVICE				Salaries and wages are distributed as follows:				Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
	1961 actual	1962 estimate	1963 estimate										
SOIL CONSERVATION SERVICE—continued				Grades and ranges: GS-17. \$16,530 to \$17,750:									
Grades and ranges: GS-17. \$16,530 to \$17,750:				Grades and ranges:									
GS-17. \$16,530 to \$17,750:				GS-17. \$16,530 to \$17,750:									
Administrator	1	\$16,536	1	\$16,806	1	\$16,806							
Deputy administrator	1	16,307	2	31,574	2	31,824							
Division director	3	47,091	3	47,611	3	47,861							
Outlook officer	1	16,307	1	16,307	1	16,307							
GS-15. \$13,730 to \$15,030:				GS-15. \$13,730 to \$15,030:									
Agricultural economist	3	41,247	2	27,498	2	28,112							
Assistant director	3	43,701	4	57,721	4	58,345							
Branch chief	11	154,754	14	196,001	14	198,248							
Deputy division director	1	15,038	1	15,038	1	15,038							
Division director	2	28,455	4	56,577	4	56,597							
Executive director	1	14,394	1	14,394	1	14,706							
GS-14. \$12,210 to \$13,510:				GS-14. \$12,210 to \$13,510:									
Agricultural economist	19	241,150	29	362,910	30	380,421							
Assistant branch chief			2	25,480	2	25,730							
Branch chief	6	76,960	12	153,730	12	161,366							
Deputy division director	1	12,750	1	13,000	1	13,000							
Division director	2	25,750											
Information specialist	2	24,460	1	12,230	1	12,480							
Section head	23	291,880	21	265,320	21	270,520							
Staff assistant	1	13,520	1	13,520	1	13,520							
Veterinary analyst	1	12,480	1	12,750	1	12,750							
GS-13. \$10,635 to \$11,935	117		123		136								
GS-12. \$8,955 to \$10,255	133	1,300,752	151	1,373,925	169	1,496,296							
GS-11. \$7,560 to \$8,860	128	1,258,745	127	1,416,625	140	1,590,350							
GS-9. \$6,435 to \$7,425	141	994,966	111	998,275	123	1,107,015							
GS-8. \$5,885 to \$6,875	3	19,656	2	13,271	2	13,437							
GS-7. \$5,355 to \$6,345	103	596,070	96	558,020	103	625,014							
GS-6. \$4,830 to \$5,820	38	210,625	47	260,981	55	318,087							
GS-5. \$4,345 to \$5,335	182		206		240								
GS-4. \$4,040 to \$4,670		915,843		1,008,504		1,186,492							
GS-3. \$3,760 to \$4,390	152	677,435	172	755,780	190	847,820							
GS-2. \$3,500 to \$4,130	96	371,454	108	418,798	108	424,414							
GS-1. \$3,185 to \$3,815	22	78,682	8	29,888	8	30,304							
Ungraded positions at annual rates less than \$12,210													

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Deduct—Continued			
Portion of salaries shown above paid—			
From other accounts.....	0.2 \$1,571		
By States.....	5.8 35,454	3.2 \$26,911	3.2 \$26,911
By cooperators.....	.6 3,823	.3 3,923	.3 3,923
Add portion of salaries carried in other			
position schedules paid from this ac-			
count.....	21.5		
	117,258		
Net permanent (average number,			
net salary).....	960.6	985.2	1,087.9
	6,911,624	7,389,568	8,146,151
Positions other than permanent:			
Temporary employment.....	21,527	104,750	111,518
Part-time employment.....	48,967	47,973	54,140
Intermittent employment.....	99,111	68,610	77,842
Other personnel compensation:			
Regular pay above 52-week base.....	25,531		
Overtime and holiday pay.....	11,674	8,700	10,600
Payment to other agencies for reim-			
bursable details.....		3,085	
Total personnel compensation.....	7,118,434	7,622,686	8,400,251
Salaries and wages are distributed as fol-			
lows:			
"Salaries and expenses".....	\$6,573,183	\$6,970,673	\$7,740,430
"Advances and reimbursements".....	330,182	360,831	360,831
"Watershed protection," Soil Con-			
servation Service.....	214,259	254,872	263,910
"Flood prevention," Soil Conservation			
Service.....		24,640	26,740
"Advances and reimbursements, Gen-			
eral Administration".....		3,330	
"Economic Research Service trust			
funds".....	810	8,340	8,340

STATISTICAL REPORTING SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO STATISTICAL REPORTING SERVICE

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-17. \$16,530 to \$17,570:			
Administrator.....	1 \$17,576	1 \$17,576	1 \$17,576
GS-16. \$15,255 to \$16,295:			
Deputy administrator.....	1 16,307	1 16,307	1 16,307
GS-15. \$13,730 to \$15,030:			
Agricultural economist.....		1 14,061	1 14,061
Branch chief.....	5 70,410	8 111,232	8 112,530
Deputy division director.....		1 14,061	1 14,061
Division director.....	3 45,053	5 72,883	5 72,883
GS-14. \$12,210 to \$13,510:			
Assistant to division director.....	1 14,310		
Assistant to the administrator.....	1 12,230	1 12,230	1 12,480
Branch chief.....	9 118,950	10 126,940	10 128,190
Chief, surveys operating group.....	1 12,230	1 12,230	1 12,480
Division director.....	2 26,270		
Secretary, crop reporting board.....	1 12,750		
Section head.....	10 123,240	11 136,070	11 137,570
Statistician in charge.....	10 123,010	9 116,650	9 117,400
Training officer.....		1 12,230	1 12,230
GS-13. \$10,635 to \$11,935:			
GS-12. \$8,955 to \$10,255:			
GS-11. \$7,560 to \$8,860:			
GS-9. \$6,435 to \$7,425:			
GS-8. \$5,835 to \$6,875:			
GS-7. \$5,355 to \$6,345:			
GS-6. \$4,830 to \$5,820:			
GS-5. \$4,345 to \$5,335:			
GS-4. \$4,040 to \$4,670:			
	1,030,775	859,557	932,565
GS-3. \$3,760 to \$4,390.....	254	224	219
	1,005,892	893,366	874,541
GS-2. \$3,500 to \$4,130.....	94 341,381	56 202,553	56 202,553
GS-1. \$3,185 to \$3,815.....	5 17,679	5 17,245	5 17,245
Ungraded positions at annual rates less			
than \$12,210.....	18 91,545	8 43,136	8 43,136
Ungraded positions at hourly rates equi-			
valent to less than \$12,210.....		1 3,494	1 3,494
Total permanent.....	1,381	1,197	1,247
	8,261,880	7,355,849	7,624,230
Deduct—			
Lapses.....	432.6	79.7	81.7
	2,385,470	492,998	504,088
Portion of salaries shown above paid—			
From other accounts.....	8.3 64,043	10.7 96,350	10.7 96,350
By States.....	59.3	46.5	46.5
	355,964	265,222	265,222
Add portion of salaries carried in other			
position schedules paid from this ac-			
count.....	8.9 62,303		
Net permanent (average number,			
net salary).....	889.7	1,060.1	1,108.1
	5,518,706	6,501,279	6,758,570

	1961 actual	1962 estimate	1963 estimate
Positions other than permanent:			
Temporary employment.....	\$6,911	\$18,148	\$19,000
Part-time employment.....	13,197	5,231	5,200
Intermittent employment.....	343,709	691,800	669,800
Other personnel compensation:			
Regular pay above 52-week base.....	22,763		
Overtime and holiday pay.....	18,395	11,542	10,700
Cost-of-living allowance.....	6,589	5,895	5,895
Nightwork differential.....	61	1,706	1,700
Total personnel compensation.....	5,930,331	7,235,601	7,470,865
Salaries and wages are distributed as fol-			
lows:			
"Salaries and expenses".....	\$5,643,705	\$6,382,251	\$7,026,251
"Advances and reimbursements".....	285,732	849,650	444,614
"Advances and reimbursements, Gen-			
eral Administration".....		3,700	
"Trust funds".....	894		

AGRICULTURAL MARKETING SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL MARKETING SERVICE

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-18. \$18,500:			
Administrator.....	1 \$18,512	1 \$18,512	1 \$18,512
Associate administrator.....		1 18,512	1 18,512
Deputy administrator, marketing			
services.....	1 18,512		
GS-17. \$16,530 to \$17,570:			
Deputy administrator, marketing re-			
search.....	1 17,576		
Deputy administrator, marketing			
services.....		1 16,536	1 16,536
Deputy administrator, regulatory			
programs.....		1 16,536	1 16,536
GS-16. \$15,255 to \$16,295:			
Assistant administrator for manage-			
ment.....	1 16,307		
Deputy administrator, management.....		1 16,307	1 16,307
Division director.....	6 95,742	7 111,529	7 111,529
GS-15. \$13,730 to \$15,030:			
Administrative officer.....	3 42,849	2 28,455	2 28,455
Agricultural administrator.....	2 27,498	1 14,394	1 14,706
Agricultural economist.....	1 14,394	1 14,706	2 28,455
Agricultural engineer.....	1 14,061		
Assistant branch chief.....	1 15,829		
Assistant to deputy administrator,			
marketing services.....	1 15,038		
Branch chief.....	4 58,678	8 112,863	8 112,863
Consultant.....	1 15,038		
Deputy administrator, marketing			
services.....		1 15,038	
Deputy administrator, regulatory			
programs.....		1 15,038	
Deputy division director.....	10 148,096	15 217,465	15 217,465
Division director.....	8 118,391	9 135,823	9 135,823
Entomologist.....	1 13,749		
Legislative liaison officer.....	1 15,038		
Physical science administrator.....	1 14,061		
Staff economist.....		1 13,749	1 13,749
Supervisory agricultural commodity			
grader.....	1 13,749	1 13,749	1 13,749
GS-14. \$12,210 to \$13,510:			
Administrative officer.....	4 52,040	4 52,040	4 52,040
Agricultural administrator.....	1 12,230	2 24,710	2 24,960
Agricultural economist.....	2 25,230	1 13,270	1 13,270
Area supervisor.....	16 200,300	15 188,820	15 188,820
Assistant branch chief.....	3 36,690	8 98,590	8 98,590
Assistant to deputy administrator,			
marketing services.....	1 12,750		
Assistant to division director.....	4 53,060	4 53,060	4 53,060
Branch chief.....	41 529,830	48 617,560	48 617,560
Chief, area office.....	4 53,060	4 52,290	4 52,290
Chief auditor.....	1 12,480	1 12,750	1 12,750
Chief investigator.....	1 12,230	1 12,230	1 12,480
Deputy division director.....	1 13,270	2 25,750	2 25,750
District supervisor.....	6 74,150	6 74,150	6 74,400
Division director.....	3 39,000	3 39,810	3 39,810
Entomologist.....	1 12,230		
Marketing specialist.....	1 13,790	1 12,230	1 12,230
Officer in charge.....	1 13,520	1 13,520	1 13,520
Physical science administrator.....	1 12,230		
Section head.....	13 165,660	10 123,280	10 123,530
Supervisory auditor.....	1 12,480		
GS-13. \$10,635 to \$11,935:			
	237	260	267
	2,633,869	2,915,854	2,991,942
GS-12. \$8,955 to \$10,255.....	448	594	611
	4,319,563	5,613,083	5,766,008
GS-11. \$7,560 to \$8,860.....	995	1,003	1,069
	7,976,035	8,120,123	8,583,743
GS-9. \$6,435 to \$7,425.....	2,092	1,606	1,677
	14,578,934	11,308,468	11,769,741
GS-8. \$5,835 to \$6,875.....	12	14	14
GS-7. \$5,355 to \$6,345.....	922	894	946
	5,233,933	5,106,339	5,385,408
GS-6. \$4,830 to \$5,820.....	1,033	984	1,012
	5,167,411	5,011,500	5,147,188

AGRICULTURAL MARKETING SERVICE—Con.

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL MARKETING SERVICE—Continued

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges—Continued			
GS-5. \$4,345 to \$5,335.....	1,237	865	945
	\$5,709,839	\$4,071,916	\$4,428,998
GS-4. \$4,040 to \$4,670.....	801	796	810
	3,557,079	3,526,297	3,584,597
GS-3. \$3,760 to \$4,390.....	501	410	411
	1,995,469	1,653,397	1,658,615
GS-2. \$3,500 to \$4,130.....	96	77	77
	353,486	289,417	289,521
GS-1. \$3,185 to \$3,815.....	17	13	13
	59,079	46,423	47,463
Rates established by act of June 20, 1958 (5 U.S.C. 1161(c)):			
Assistant administrator, marketing research.....	1		
Deputy administrator, marketing research.....	1	1	1
	17,750	17,750	17,750
Division director.....	1	1	1
	15,500	15,500	15,500
Ungraded positions at annual rates: \$12,210 or above:			
Chief, shipping point inspection.....		1	1
		12,576	12,576
Less than \$12,210.....	717	637	695
	3,308,266	2,970,044	3,219,444
Ungraded positions at hourly rates equivalent to less than \$12,210.....	93	90	90
	412,718	400,429	400,429
Ungraded positions at volume rates.....	13	14	14
	292	700	700
Total permanent.....	9,369	8,430	8,817
	57,537,889	53,394,754	55,606,796
Deduct—			
Lapses.....	2,164.8	886.3	948.9
	12,157,375	4,749,697	5,021,602
Portion of salaries shown above paid—From other accounts.....	21.2	1.5	1.5
	148,219	14,118	14,118
By States.....	23.3	25.8	25.8
	179,875	197,599	197,599
By cooperators.....	2	7	7.2
	13,200	35,480	36,883
Add portion of salaries carried in other position schedules paid from this account.....			
	8.6		
	45,148		
Net permanent (average number, net salary):			
United States and possessions.....	7,161.3	7,507.4	7,831.6
	45,066,335	48,381,064	50,319,798
Foreign countries: U.S. rates.....	2	2	2
	18,033	16,796	16,796
Positions other than permanent:			
Temporary employment.....	417,311	835,867	838,867
Part-time employment.....	167,209	180,721	182,721
Intermittent employment.....	1,390,764	1,562,599	1,562,599
Other personnel compensation:			
Regular pay above 52-week base.....	169,816		
Overtime and holiday pay.....	2,271,880	2,500,320	2,504,320
Nightwork differential.....	78,492	76,120	76,120
Additional pay for service abroad.....	11,706	12,560	12,560
Compensation of witnesses.....			1,000
Total personnel compensation.....	49,591,546	53,566,047	55,514,781
Salaries and wages are distributed as follows:			
"Marketing research and service":			
Direct obligations.....	\$25,048,241	\$28,361,341	\$29,645,873
Reimbursable obligations.....	2,602,996	738,136	738,136
"Special milk program".....			599,500
"School lunch program".....	1,066,223	1,292,600	1,292,600
"Perishable Agricultural Commodities Act fund".....	664,733	686,053	643,453
"Removal of surplus agricultural commodities".....			
	2,573,735	3,660,000	3,965,850
"Advances and reimbursements".....	2,298,051	2,425,168	2,423,038
"Commodity Credit Corporation administrative expenses, transfer to Agricultural Marketing Service for special milk program".....	521,075	599,500	
"Trust funds".....	14,803,318	15,784,749	16,206,331
"Civil defense and defense mobilization functions of Federal agencies (transfer to Agriculture)".....	13,174	18,500	

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-18. \$18,500:			
Administrator.....	1	1	1
	\$18,512	\$18,512	\$18,512
GS-17. \$16,530 to \$17,570:			
Agricultural attaché.....	2	2	2
	34,382	34,632	34,632
Deputy administrator.....	1	2	2
	16,806	33,592	33,592
GS-16. \$15,255 to \$16,295:			
Agricultural attaché.....	8	8	8
	127,005	128,086	128,086
Assistant administrator.....	3	5	5
	47,861	79,435	79,435

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges—Continued			
GS-15. \$13,730 to \$15,030:			
Agricultural attaché.....	12	10	10
	\$172,968	\$143,917	\$143,917
Agricultural economist.....	1	1	1
	15,309	13,749	13,749
Assistant administrator.....	1		
	15,829		
Assistant agricultural attaché.....	4	4	4
	57,575	57,575	57,575
Assistant to the administrator.....	2	2	2
	27,810	27,810	27,810
Deputy assistant administrator.....	4	3	3
	60,362	45,053	45,053
Director of internal audit.....		1	1
		13,749	13,749
Director of statistics.....	1	1	1
	14,394	14,706	14,706
Division director.....	13	14	14
	189,303	202,116	202,116
Foreign agricultural affairs officer.....		2	2
		30,347	30,347
International projects coordinator.....	1	1	1
	15,038	15,038	15,038
GS-14. \$12,210 to \$13,510:			
Administrative officer.....	2	3	4
	26,520	39,540	51,770
Agricultural attaché.....	21	26	28
	268,420	333,690	358,150
Agricultural economist.....	1	3	5
	13,000	37,980	62,440
Agricultural officer.....	5	5	5
	63,980	64,770	64,770
Assistant agricultural attaché.....	7	7	7
	89,459	90,000	90,000
Assistant to the assistant administrator.....	2	2	2
	25,480	25,750	25,750
Branch chief.....	25	20	20
	322,520	255,420	255,420
Deputy assistant administrator.....	1	1	1
	13,000	13,270	13,270
Deputy division director.....	1	1	1
	13,000	13,000	13,000
Division director.....	3	3	3
	38,750	39,270	39,270
Foreign agricultural affairs officer.....	3	2	2
	38,750	25,500	25,500
Marketing specialist.....	12	13	16
	156,580	167,020	203,710
Program coordinator.....	5	5	5
	62,940	63,210	63,210
Program and financial activity auditor.....	1	1	1
	12,480	12,480	12,480
Reports officer.....	1	1	1
	13,520	13,520	13,520
Textile technologist.....	1	1	1
	13,000	13,270	13,270
Trade promotion specialist.....	6	6	7
	78,020	76,460	88,690
GS-13. \$10,635 to \$11,935.....	56	57	62
	624,194	635,386	688,636
GS-12. \$8,955 to \$10,255.....	35	33	39
	319,197	304,515	358,305
GS-11. \$7,560 to \$8,860.....	33	36	42
	257,003	279,966	325,392
GS-9. \$6,435 to \$7,425.....	23	18	21
	155,750	122,826	142,170
GS-8. \$5,885 to \$6,875.....	6	7	7
	38,474	44,533	44,533
GS-7. \$5,355 to \$6,345.....	42	52	56
	251,077	306,422	327,886
GS-6. \$4,830 to \$5,820.....	39	40	40
	220,110	226,576	226,576
GS-5. \$4,345 to \$5,335.....	114	115	134
	570,533	566,680	649,273
GS-4. \$4,040 to \$4,670.....	32	35	43
	137,280	148,616	181,064
GS-3. \$3,760 to \$4,390.....	11	11	11
	44,952	44,203	44,203
GS-2. \$3,500 to \$4,130.....	7	6	7
	25,479	22,026	25,541
GS-1. \$3,185 to \$3,815.....	2	7	7
	7,238	7,238	7,238
Ungraded positions at annual rates less than \$12,210.....	118	128	138
	331,717	369,729	395,229
Total permanent.....	669	697	768
	5,045,577	5,221,183	5,668,583
Deduct—			
Lapses.....	58.1	22.7	22.7
	410,151	194,283	193,483
Portion of salaries shown above paid from other accounts.....	1	0.5	0.5
	6,616	1,200	1,400
Add portion of salaries carried in other position schedules paid from this account.....			
	2	1	1
	17,688	6,000	6,000
Net permanent (average number, net salary):			
United States and possessions.....	393.9	435	481
	3,158,426	3,423,685	3,714,062
Foreign countries:			
U.S. rates.....	110.7	116.4	131.4
	1,186,333	1,253,086	1,385,378
Local rates.....	107.3	123.4	133.4
	301,739	354,929	380,260
Positions other than permanent:			
Temporary employment:			
United States and possessions.....	28,788	28,700	28,700
Foreign countries:			
U.S. rates.....			
	58		
Local rates.....	1,828	1,800	1,800
Part-time employment: Foreign countries: Local rates.....	2,506	2,500	2,500
Intermittent employment: United States and possessions.....	13,060	12,000	12,000
Other personnel compensation:			
Regular pay above 52-week base.....	14,765		
Overtime and holiday pay.....	4,561		
Additional pay for service abroad.....	36,578	47,300	47,300
Total personnel compensation.....	4,748,642	5,124,000	5,572,000

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Ungraded positions at annual rates less than \$12,210.....	20	22	22
	\$35,146	\$38,561	\$38,561
Deduct lapses.....	0.4	0.2	0.2
	1,667	761	761
Net permanent (average number, net salary): Foreign countries:			
Local rates.....	19.6	21.8	21.8
	33,479	37,800	37,800
Positions other than permanent:			
Temporary employment: Foreign countries: Local rates.....	176		
Part-time employment: Foreign countries: Local rates.....	292		
Other personnel compensation: Regular pay above 52-week base.....	125		
Total personnel compensation.....	34,072	37,800	37,800

ADVANCES AND REIMBURSEMENTS

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-15. \$13,730 to \$15,030:						
Assistant agricultural attaché.....	1	\$15,038				
GS-14. \$12,210 to \$13,510:						
Foreign agricultural affairs officer.....	1	13,520	1	13,520	1	13,520
GS-5. \$4,345 to \$5,335.....	1	5,512				
Ungraded positions at annual rates less than \$12,210.....	2	5,629				
Total permanent.....	5	39,699	1	13,520	1	13,520
Deduct—						
Lapses.....	0.8	5,350		20		20
Portion of salaries shown above paid from other accounts.....	0.1	868				
Add portion of salaries carried in other position schedules paid from this account.....	0.6	2,000	0.5	1,200	0.5	1,400
Net permanent (average number, net salary):						
United States and possessions.....	1.1	14,285	1	13,500	1	13,500
Foreign countries:						
U.S. rates.....	1.6	15,414				
Local rates.....	2	5,782	0.5	1,200	0.5	1,400
Other personnel compensation:						
Regular pay above 52-week base.....		73				
Overtime and holiday pay.....		275				
Total personnel compensation.....		35,829		14,700		14,900

COMMODITY EXCHANGE AUTHORITY

SALARIES AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
GS-17. \$16,530 to \$17,570:						
Administrator.....	1	\$16,536	1	\$16,806	1	\$16,806
GS-16. \$15,255 to \$16,295:						
Deputy administrator.....	1	15,267	1	15,517	1	15,517
GS-15. \$13,730 to \$15,030:						
Assistant to the administrator.....	1	13,749	1	14,061	1	14,061
Division director.....	3	41,559	3	42,183	3	42,516
GS-14. \$12,210 to \$13,510:						
Assistant division director.....	1	12,230	1	12,230	1	12,480
Commodity exchange supervisor.....	2	25,750	2	24,710	2	24,960
Economist.....	1	12,750	1	12,750	1	13,000
GS-13. \$10,635 to \$11,935.....	9	102,317	10	112,696	10	112,403
GS-12. \$8,955 to \$10,255.....	10	94,370	9	86,195	9	85,425
GS-11. \$7,560 to \$8,860.....	4	31,054	7	55,017	9	69,909
GS-9. \$6,435 to \$7,425.....	12	84,595	12	81,973	13	88,255
GS-7. \$5,355 to \$6,345.....	18	104,748	17	98,526	12	73,364
GS-6. \$4,830 to \$5,820.....	6	32,657	12	67,581	12	69,078
GS-5. \$4,345 to \$5,335.....	22	110,448	20	99,093	20	101,423
GS-4. \$4,040 to \$4,670.....	19	85,488	16	72,530	19	86,404
GS-3. \$3,760 to \$4,390.....	18	75,696	16	66,980	14	59,034
GS-2. \$3,500 to \$4,130.....	3	11,377	1	3,515		
Total permanent.....	131	870,591	130	882,363	128	885,635
Deduct lapses.....	9.2	40,840	4	16,763	2	6,035
Net permanent (average number, net salary).....	121.8	829,751	126	865,600	126	879,600
Positions other than permanent: Temporary employment.....		867				
Other personnel compensation:						
Regular pay above 52-week base.....		3,251				
Overtime and holiday pay.....		1,100		900		900
Compensation of witnesses.....		36		100		100
Total personnel compensation.....		835,005		866,600		880,600

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE						
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Administrator.....	1	\$20,010	1	\$20,010	1	\$20,010
GS-18. \$18,500:						
Associate administrator.....	1	18,512	1	18,512	1	18,512

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—continued						
Grades and ranges—Continued						
GS-17. \$16,530 to \$17,570:						
Administrator, agricultural conservation program services.....	1	\$17,056				
Deputy administrator, commodity operations.....			1	\$16,536	1	\$16,536
Deputy administrator, conservation.....			1	16,536	1	16,536
Deputy administrator, operations.....	1	16,536				
Deputy administrator, price and production.....			1	16,536	1	16,536
Deputy administrator, price support.....	1	16,536				
Deputy administrator, production adjustment.....	1	17,576				
Deputy administrator, State and county operations.....			1	16,536	1	16,536
General sales manager.....	1	16,536				
GS-16. \$15,255 to \$16,295:						
Deputy administrator, agricultural conservation program service.....	1	16,037				
Assistant deputy administrator, commodity operations.....			1	16,037	1	16,037
Assistant deputy administrator, conservation.....			1	16,037	1	16,037
Assistant deputy administrator, operations.....	2	31,574				
Assistant deputy administrator, price and production.....			1	15,267	1	15,267
Assistant deputy administrator, price support.....	1	15,267				
Assistant deputy administrator, production adjustment.....	2	31,054				
Assistant deputy administrator, state and county operations.....			2	31,054	2	31,054
Deputy administrator, management.....			1	16,037	1	16,037
Deputy sales manager.....	1	16,307				
Director, commodity office.....	7	109,705	7	109,427	7	109,427
Division director.....	9	144,414	9	143,624	9	143,624
Executive assistant to administrator.....	1	16,307	1	16,307	1	16,307
GS-15. \$13,730 to \$15,030:						
Agricultural economist.....	1	14,394				
Area director.....	6	87,630	5	70,034	5	70,034
Assistant deputy administrator, management.....			1	13,749	1	13,749
Assistant division director.....	2	28,143	2	27,810	2	27,810
Assistant to administrator.....	4	58,863	4	56,556	4	56,556
Assistant to deputy administrator, commodity operations.....			2	28,122	2	28,122
Assistant to deputy administrator, conservation.....			1	13,749	1	13,749
Assistant to deputy administrator, operations.....	3	43,161				
Assistant to deputy administrator, price and production.....			3	43,826	3	43,826
Assistant to deputy administrator, price support.....	3	43,826				
Assistant to deputy administrator, production adjustment.....	3	41,247				
Assistant to deputy administrator, State and county operations.....			4	56,556	4	56,556
Assistant to general sales manager.....	3	45,656				
Assistant to the division director.....			1	14,706	1	14,706
Associate division director.....	1	13,749				
Civilian requirements officer.....			1	15,038		
Consultant, agricultural conservation program.....	1	13,749				
Deputy director, commodity office.....	15	213,559	14	199,488	14	199,488
Deputy division director.....	18	263,726	16	235,519	16	235,519
Director conservation programs.....	2	29,410				
Division director.....	11	168,264	15	223,676	15	223,676
GS-14. \$12,210 to \$13,510:						
Agricultural economist.....	6	77,770	6	78,040	6	78,040
Assistant to administrator, agricultural conservation program service.....	2	28,100				
Assistant deputy division director.....	1	12,750	1	13,000	1	13,000
Assistant director, commodity office.....	3	37,460	4	49,940	4	49,940
Assistant to deputy administrator, conservation.....			2	28,100	2	28,100
Assistant to director, commodity office.....	1	12,230				
Assistant to division director.....	7	92,560	8	105,580	8	105,580
Branch chief.....	60	782,348	58	757,768	58	757,768
Chief, data processing division.....	1	12,230	1	12,230	1	12,230
Chief, systems development and design staff.....	1	12,730	1	12,230	1	12,230
Chief, technical management staff.....	1	12,230	1	12,230	1	12,230
Commodity specialist.....	4	52,270	4	52,740	4	52,740
Compliance officer, investigation division.....	5	66,830	5	68,162	5	68,162
Confidential assistant to administrator.....	1	12,230				
Coordinator, food and materials division.....	2	27,560	2	27,560	2	27,560
Deputy area director.....	6	78,790	5	65,540	5	65,540
Deputy division director.....	11	143,300	11	148,377	11	148,377
Director, commodity office.....	1	13,000	1	13,000	1	13,000
Division chief, commodity office.....	19	238,673	22	275,630	22	275,630
Division director.....	2	26,520	1	12,480	1	12,480
Industrial specialist.....	3	37,980	4	51,000	3	38,250
Labor economist.....	2	25,750	1	12,230	1	12,230
Management analyst.....	1	12,230	1	12,230	1	12,230
Marketing specialist.....			3	37,460	3	37,460
Program staff specialist.....			1	13,000	1	13,000
Public information officer.....	1	12,230	2	26,270	2	26,270
Regional liaison representative.....	8	102,250	4	51,000		
Staff assistant.....	12	154,480	5	65,290	5	65,290
Staff specialist.....	8	99,650	8	100,400	8	100,400
GS-13. \$10,635 to \$11,935.....	301		313		312	
	3,403,793		3,526,449		3,515,799	

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—Continued

	1961 actual		1962 estimate		1963 estimate	
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE—continued	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges—Continued						
GS-12. \$8,955 to \$10,255.....	453		494		492	
		\$4,296,191		\$4,732,218		\$4,714,288
GS-11. \$7,560 to \$8,860.....	867		940		940	
		7,050,216		7,640,378		7,640,378
GS-10. \$6,995 to \$7,985.....	4	28,538	3	21,528	3	21,528
GS-9. \$6,435 to \$7,425.....	824		950		894	
		5,681,049		6,593,671		6,232,583
GS-8. \$5,885 to \$6,875.....	33	210,058	34	219,761	34	219,761
GS-7. \$5,355 to \$6,345.....	740		836		775	
		4,333,844		4,934,268		4,606,086
GS-6. \$4,830 to \$5,820.....	175	943,502	175	961,836	175	961,836
GS-5. \$4,345 to \$5,335.....	962		985		955	
		4,819,300		4,914,122		4,460,374
GS-4. \$4,040 to \$4,670.....	1,414		1,527		1,527	
		6,341,167		6,859,525		6,859,525
GS-3. \$3,760 to \$4,390.....	1,411		1,411		1,411	
		5,846,293		5,898,353		5,875,763
GS-2. \$3,500 to \$4,130.....	462		340		340	
		1,746,595		1,291,243		1,291,243
GS-1. \$3,185 to \$3,815.....	7	24,190	6	20,467	6	20,467
Ungraded positions at hourly rates equivalent to less than \$12,210.....	55	275,330	54	257,537	54	257,537
Total permanent.....	7,981		8,328		8,172	
		48,753,021		51,440,128		50,167,152
Deduct lapses.....	823.8		365		388	
		4,522,367		1,594,518		1,479,537
Add portion of salaries carried in other position schedules paid from this account.....	7.5	57,877				
Net permanent (average number, net salary).....	7,164.7		7,963		7,784	
		44,288,531		49,845,610		48,637,615
Positions other than permanent:						
Temporary employment.....	2	280,178	1	799,419	1	680,749
Part-time employment.....	32	455	32	141	30	888
Intermittent employment.....	777	705	1,309	097	1,225	516
Other personnel compensation:						
Regular pay above 52-week base.....	161	246				
Overtime and holiday pay.....	481	211	452	285	445	361
Nightwork differential.....	28	744	10	500	10	000
Additional pay for service abroad.....	79	483	79	023	79	000
Total personnel compensation, Agricultural Stabilization and Conservation Service.....	48,129,553		53,528,075		52,158,329	
Salaries and wages are distributed as follows:						
"Agricultural conservation program".....		\$559,946		\$580,186		\$580,186
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938".....	18,061,817		21,196,419		20,015,633	
"Local administration, sec. 388, Agricultural Adjustment Act of 1938".....	1,103,735		1,162,125		1,162,125	
"Advances and reimbursements, general administration".....			15,300			
"Advances and reimbursements".....	416,396		476,450		476,507	
"Limitation on administrative expenses," Commodity Credit Corporation.....	26,447,068		28,176,627		27,916,328	
"School lunch program," Agricultural Marketing Service.....	169,684		215,400		215,400	
"Removal of surplus agricultural commodities," Agricultural Marketing Service.....	1,169,539		1,593,600		1,792,150	
"Emergency credit revolving fund," Farmers Home Administration.....	59,443		5,769			
"Salaries and expenses, Office of Emergency Planning.....			20,261			
"Civil defense and defense mobilization functions of Federal agencies," Office of Emergency Planning.....	141,925		85,938			
ALLOCATION TO FOREIGN AGRICULTURAL SERVICE						
Grades and ranges:						
GS-17. \$16,530 to \$17,570:						
Division director.....			1	16,536	1	16,536
General sales manager.....	1	16,536	1	16,536	1	16,806
GS-16. \$15,255 to \$16,295:						
Deputy division director.....			1	15,267	1	15,267
Deputy general sales manager.....	1	16,307	1	16,307	1	16,307
GS-15. \$13,730 to \$15,030:						
Assistant to general sales manager.....	3	45,656	3	45,656	4	59,405
Assistant to the administrator.....			1	13,749	1	14,061
Assistant to the division director.....			2	27,498	2	27,498
Deputy division director.....	1	14,061				
Division director.....	1	15,038				
Executive assistant to the administrator.....	1	13,749	1	13,749	1	14,061

	1961 actual		1962 estimate		1963 estimate	
ALLOCATION TO FOREIGN AGRICULTURAL SERVICE—continued	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges—Continued						
GS-14. \$12,210 to \$13,510:						
Barter program analyst.....	1	\$13,000	1	\$13,000	1	\$13,270
Barter specialist.....	3	37,980	3	37,710	3	38,250
Contract administrator.....	1	12,480	1	12,480	1	12,480
Staff assistant.....	7	90,240	7	90,500	10	128,250
GS-13. \$10,635 to \$11,935.....	12	131,645	12	131,396	14	154,505
GS-12. \$8,955 to \$10,255.....	6	56,920	6	57,470	6	57,990
GS-11. \$7,560 to \$8,860.....	8	62,878	8	63,628	8	64,168
GS-9. \$6,435 to \$7,425.....	5	34,529	5	34,529	6	41,143
GS-8. \$5,885 to \$6,875.....	1	6,885	1	6,885	1	6,885
GS-7. \$5,355 to \$6,345.....	6	35,027	7	40,393	7	41,558
GS-6. \$4,830 to \$5,820.....	8	43,347	9	48,193	11	58,217
GS-5. \$4,345 to \$5,335.....	16	76,713	16	75,047	19	88,589
GS-4. \$4,040 to \$4,670.....	16	67,184	14	58,656	17	71,344
GS-3. \$3,760 to \$4,390.....	1	4,410	2	7,530	2	7,530
GS-2. \$3,500 to \$4,130.....	1	3,723	1	3,723	1	3,723
Ungraded positions at hourly rates equivalent to less than \$12,210.....	1	3,765	1	3,765	1	3,765
Total permanent.....	101	802,073	105	850,203	120	971,608
Deduct—						
Lapses.....	87.7	698,087	3	27,003	3.9	35,408
Portion of salaries shown above paid from other accounts.....	.7	5,191				
Add portion of salaries carried in other position schedules paid from this account.....	.1	902				
Net permanent (average number, net salary).....	12.7	99,697	102	823,200	116.1	936,200
Positions other than permanent: Temporary employment.....		430		2,500		2,500
Other personnel compensation:						
Regular pay above 52-week base.....		2,886				
Overtime and holiday pay.....		422				
Total personnel compensation, Foreign Agricultural Service.....		103,435		825,700		938,700

FEDERAL CROP INSURANCE CORPORATION

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE FEDERAL CROP INSURANCE CORPORATION

	1961 actual		1962 estimate		1963 estimate	
	Num-ber	Total salary	Num-ber	Total salary	Num-ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Manager.....	1	\$17,500	1	\$19,000	1	\$19,000
Assistant manager.....	1	16,037	1	15,267	1	15,267
GS-16. \$15,255 to \$16,295:						
Administrative officer.....			1	15,038	1	15,038
Area director.....			3	42,204	4	55,953
Assistant to the manager.....	1	13,749	1	14,061	1	14,394
Division director.....	3	43,494	5	70,991	5	71,323
Supervising auditor.....			1	13,749	1	13,749
GS-14. \$12,210 to \$13,510:						
Administrative officer.....	3	39,790	2	26,790	2	26,790
Area director.....	4	53,080	1	12,230		
Assistant division director.....	3	37,440	2	24,980	3	37,210
Chief budget officer.....			1	12,230	1	12,230
Division director.....	3	37,980	1	12,750	1	12,750
Branch chief.....			2	24,980	2	24,980
Branch manager.....	1	12,480	1	12,750	1	12,750
Supervising auditor.....	1	12,480				
GS-13. \$10,635 to \$11,935.....	20	218,156	34	370,808	36	394,664
GS-12. \$8,955 to \$10,255.....	25	247,165	25	232,505	23	215,345
GS-11. \$7,560 to \$8,860.....	68	535,498	80	633,210	99	783,156
GS-9. \$6,435 to \$7,425.....	43	300,294	43	291,249	34	225,929
GS-7. \$5,355 to \$6,345.....	43	248,951	66	376,076	82	464,187
GS-6. \$4,830 to \$5,820.....	10	56,931	9	47,693	9	48,360
GS-5. \$4,345 to \$5,335.....	48	243,613	106	495,405	82	401,312
GS-4. \$4,040 to \$4,670.....	101	453,232	123	542,339	127	564,719
GS-3. \$3,760 to \$4,390.....	106	437,375	104	426,429	111	457,839
GS-2. \$3,500 to \$4,130.....	35	133,425	27	107,489	25	101,395
GS-1. \$3,185 to \$3,815.....	3	11,169	3	11,377	3	11,481
Total payment.....	523	3,169,839	643	3,851,600	655	3,999,821
Deduct—						
Lapses.....	35.4	199,754	70.9	362,492	13.8	66,954
Portion of salaries shown above paid from other accounts.....	0.4	5,617	0.7	9,500	0.7	9,500
Net permanent (average number, net salary).....	487.2		571.4		640.5	
		2,964,468		3,479,608		3,923,367
Positions other than permanent:						
Temporary employment.....		43,990		54,200		69,200
Part-time employment.....		36,920		40,953		41,989
Intermittent employment.....		1,211,150		1,426,939		1,316,944
Other personnel compensation:						
Regular pay above 52-week base.....		10,408				
Overtime and holiday pay.....		1,911		3,000		3,000
Total personnel compensation.....		4,268,847		5,004,700		5,354,500

	1961 actual	1962 estimate	1963 estimate
Salaries and wages are distributed as follows:			
"Operating and administrative expenses".....	\$3,895,529	\$4,219,700	\$4,620,500
"Federal Crop Insurance Corporation fund".....	372,802	785,000	734,000
"Advances and reimbursements".....	516		

RURAL ELECTRIFICATION ADMINISTRATION

SALARIES AND EXPENSES

	1961 actual	1962 estimate	1963 estimate
Grades and ranges:			
Special positions at rates equal to or in excess of \$18,500:			
Administrator.....	1 \$20,010	1 \$20,010	1 \$20,010
GS-17. \$16,530 to \$17,570:			
Deputy administrator.....	1 16,536	1 16,536	1 16,806
GS-16. \$15,255 to \$16,295:			
Assistant administrator.....	2 30,534	2 30,534	2 30,784
GS-15. \$13,730 to \$15,030:			
Area director.....	6 84,407	10 139,403	
Assistant administrator.....	1 14,061	1 14,394	
Assistant to administrator.....	2 28,787	3 42,536	
Chief of division.....	4 60,965		
Controller.....	1 15,038	1 15,038	
Deputy assistant administrator.....	2 27,810	2 27,810	
Director of division.....	8 116,897	8 117,146	
Director of program operations.....	1 15,038		
Legislative consultant.....	1 14,394	1 14,394	
Program director.....	1 13,749	1 13,749	
Special assistant to assistant administrator.....	2 29,099	1 15,038	1 15,038
GS-14. \$12,210 to \$13,510:			
Area director.....	10 134,180	4 49,440	
Assistant chief of division.....	9 121,470		
Assistant director of division.....		2 25,750	2 25,750
Branch chief.....		51 637,380	55 686,550
Chief of division.....	3 39,790		
Engineer, architectural.....	1 12,480	1 12,480	
Head of section.....	1 12,750	1 12,750	
Internal auditor.....	1 12,750	1 12,230	1 13,000
Labor relations adviser.....	1 14,040	1 12,230	1 12,230
Legislative consultant.....		1 12,230	1 12,230
Loan reviewer.....		1 12,230	1 12,230
Operations specialist.....	1 13,520		
Program analyst.....		1 12,230	1 12,230
Program development and loans specialist.....		4 49,170	4 49,170
Rural area development specialist.....		1 12,750	1 12,750
Technical assistance specialist.....			
GS-13. \$10,635 to \$11,935.....	100 1,165,952	109 1,215,269	110 1,227,728
GS-12. \$8,955 to \$10,255.....	292 2,937,265	253 2,506,215	263 2,603,355
GS-11. \$7,560 to \$8,860.....	172 1,417,102	166 1,336,976	176 1,417,786
GS-9. \$6,435 to \$7,425.....	60 410,777	58 396,591	58 399,215
GS-8. \$5,885 to \$6,875.....	1 6,552	1 6,718	1 6,718
GS-7. \$5,355 to \$6,345.....	75 455,205	80 480,043	80 482,645
GS-6. \$4,830 to \$5,820.....	26 147,996	70 381,537	70 383,680
GS-5. \$4,345 to \$5,335.....	140 723,277	114 572,854	119 597,254
GS-4. \$4,040 to \$4,670.....	84 370,739	50 216,214	55 237,118
GS-3. \$3,760 to \$4,390.....	43 171,545	43 171,984	43 173,338
GS-2. \$3,500 to \$4,130.....	8 30,408	2 7,238	2 7,342
GS-1. \$3,185 to \$3,815.....	1 3,203	1 3,203	1 3,203
Ungraded positions at hourly rates equivalent to less than \$12,210.....	2 6,988	2 6,988	2 6,988
Total permanent.....	1,045 8,425,307	1,045 8,561,480	1,080 8,862,410
Deduct lapses.....	82.9 587,395	79.8 566,550	109.9 792,440
Net permanent (average number, net salary).....	962.1 7,837,912	965.2 7,994,930	970.1 8,069,570
Positions other than permanent: Intermittent employment.....	30,975	38,545	38,545
Other personnel compensation:			
Regular pay above 52-week base.....	30,557		
Overtime and holiday pay.....	2,907	2,400	2,400
Additional pay for service abroad.....	3,568	5,445	5,445
Total personnel compensation.....	7,905,919	8,041,320	8,115,960
Salaries and wages are distributed as follows:			
"Salaries and expenses," Rural Electrification Administration.....	\$7,905,919	\$7,917,920	\$8,115,960
"Advances and reimbursements, General Administration".....		123,400	

FARMERS HOME ADMINISTRATION

SALARIES AND EXPENSES

	1961 actual	1962 estimate	1963 estimate
Grades and ranges:			
Special positions at rates equal to or in excess of \$18,500:			
Administrator.....	1 \$17,514	1 \$19,011	1 \$19,011
GS-17. \$16,530 to \$17,570:			
Deputy administrator.....	1 17,326	1 16,536	1 16,806
GS-16. \$15,255 to \$16,295:			
Assistant administrator.....	3 47,341	3 46,841	3 47,341
GS-15. \$13,730 to \$15,030:			
Assistant to the administrator.....		1 13,730	1 13,730
Deputy assistant administrator.....	1 14,706	2 27,498	2 27,810
Director of division.....	8 113,820	8 115,422	8 117,395
Director of information.....	1 14,061	1 14,061	1 14,394
GS-14. \$12,210 to \$13,510:			
Agricultural engineer.....	1 12,750	1 12,750	1 13,000
Assistant director of division.....	5 62,670	6 76,230	6 77,000
Assistant to the administrator.....	5 63,730	6 74,670	6 75,420
Information specialist.....		1 12,230	1 12,230
Loan officer.....	4 52,270	5 63,730	5 64,500
State director.....	41 514,380	41 506,960	41 511,120
State director at large.....	2 24,710	2 24,710	1 12,480
GS-13. \$10,635 to \$11,935.....	65 720,631	61 669,649	61 671,525
GS-12. \$8,955 to \$10,255.....	99 943,925	101 966,715	101 974,235
GS-11. \$7,560 to \$8,860.....	335 2,823,512	365 3,060,675	365 3,073,635
GS-9. \$6,435 to \$7,425.....	1,125 7,925,445	1,234 8,775,926	1,234 8,821,896
GS-8. \$5,885 to \$6,875.....	4 27,540	3 20,655	3 20,655
GS-7. \$5,355 to \$6,345.....	706 4,292,868	721 4,328,188	721 4,335,614
GS-6. \$4,830 to \$5,820.....	46 259,962	54 307,152	54 307,205
GS-5. \$4,345 to \$5,335.....	229 1,214,599	252 1,314,060	252 1,318,196
GS-4. \$4,040 to \$4,670.....	1,422 6,490,357	1,432 6,529,596	1,432 6,539,068
GS-3. \$3,760 to \$4,390.....	317 1,312,276	319 1,286,607	319 1,290,892
GS-2. \$3,500 to \$4,130.....	37 137,426	23 83,381	23 83,629
Ungraded positions at hourly rates equivalent to less than \$12,210.....	5 25,960	5 26,501	5 26,761
Total permanent.....	4,463 27,129,779	4,649 28,393,484	4,648 28,455,548
Deduct—			
Lapses.....	143.9 820,589	198.6 1,148,711	173.9 998,953
Portion of salaries shown above paid from other accounts.....	7.9 44,237	14.1 95,659	8.1 59,995
Add portion of salaries carried in other position schedules paid from this account.....	5.2 28,598	1 9,686	
Net permanent (average number, net salary).....	4,316.4 26,293,551	4,437.3 27,158,800	4,466 27,426,600
Positions other than permanent:			
Temporary employment.....	59,759	60,000	60,000
Part-time employment.....	94,409	70,000	70,000
Intermittent employment.....	475,394	505,000	705,000
Other personnel compensation:			
Regular pay above 52-week base.....	102,048		
Overtime and holiday pay.....	10,789	11,000	11,000
Additional pay for services abroad.....	68,399	68,400	70,000
Total personnel compensation.....	27,104,349	27,873,200	28,342,600

EMERGENCY CREDIT REVOLVING FUND

	1961 actual	1962 estimate	1963 estimate
Grades and ranges:			
GS-14. \$12,210 to \$13,510:			
Emergency loan and credit officer.....	1 \$12,750	1 \$13,000	1 \$13,000
GS-13. \$10,635 to \$11,935.....	1 12,459	1 12,459	1 12,459
GS-12. \$8,955 to \$10,255.....		1 8,965	1 9,235
GS-11. \$7,560 to \$8,860.....	4 33,884	4 34,424	4 34,694
GS-9. \$6,435 to \$7,425.....	85 609,225	96 690,116	96 700,007
GS-7. \$5,355 to \$6,345.....	45 272,455	53 328,619	53 333,758
GS-5. \$4,345 to \$5,335.....	4 21,216	5 27,061	5 27,227
GS-4. \$4,040 to \$4,670.....	139 636,600	160 734,360	160 739,248
GS-3. \$3,760 to \$4,390.....	24 97,975	23 95,957	23 97,621
Total permanent.....	303 1,696,564	344 1,944,961	344 1,967,249
Deduct lapses.....	1.2 11,365	9.5 44,581	14.9 70,124
Net permanent (average number, net salary).....	301.8 1,685,199	334.5 1,900,380	329.1 1,897,125
Positions other than permanent:			
Temporary employment.....	87,003	240,450	240,450
Intermittent employment.....	6,258		

FARMERS HOME ADMINISTRATION—Continued**EMERGENCY CREDIT REVOLVING FUND—Continued**

	1961 actual	1962 estimate	1963 estimate
Other personnel compensation:			
Regular pay above 52-week base.....	\$6,768		
Overtime and holiday pay.....	1,229	\$1,200	\$1,200
Additional pay for services abroad.....	1,461	6,000	6,150
Total personnel compensation.....	1,787,918	2,148,030	2,144,925

ADVANCES AND REIMBURSEMENTS

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-13. \$10,635 to \$11,935.....		1 \$10,650	1 \$10,899
GS-12. \$8,955 to \$10,255.....	2 \$20,655		
GS-5. \$4,345 to \$5,335.....	1 5,179	1 5,346	1 5,346
GS-4. \$4,040 to \$4,670.....	4 18,720	3 14,352	3 14,560
GS-3. \$3,670 to \$4,390.....	4 16,974	4 17,203	4 17,307
Total permanent.....	11 61,528	9 47,551	9 48,112
Deduct lapses.....	291.	.1 1,317	
Add portion of salaries carried in other position schedules paid from this account.....	3.9 24,780	7.8 58,616	7.7 56,738
Net permanent (average number, net salary).....	14.9 86,017	16.7 104,850	16.7 104,850
Other personnel compensation:			
Regular pay above 52-week base.....	241		
Overtime and holiday pay.....	149	150	150
Total personnel compensation.....	86,407	105,000	105,000

OFFICE OF THE GENERAL COUNSEL**CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM ACCOUNTS OF THE OFFICE OF THE GENERAL COUNSEL**

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
Special positions at rates equal to or in excess of \$18,500:			
General Counsel.....	1 \$20,010	1 \$20,010	1 \$20,010
GS-17. \$16,530 to \$17,570:			
Deputy general counsel.....	1 17,576	1 17,576	1 17,576
GS-16. \$15,255 to \$16,295:			
Assistant general counsel.....	3 48,131	3 48,401	3 48,921
GS-15. \$13,730 to \$15,030:			
Attorney.....	10 138,738	11 155,379	11 156,357
Director, legal division.....	6 86,655	6 88,588	6 88,588
Regional attorney.....	8 111,885	8 113,529	8 113,529
GS-14. \$12,210 to \$13,510:			
Attorney.....	22 276,030	41 515,790	40 507,050
Executive assistant to the general counsel.....	1 12,750	1 12,750	1 13,000
GS-13. \$10,635 to \$11,935.....	84 953,052	64 718,001	71 808,069
GS-12. \$8,955 to \$10,255.....	26 243,590	27 254,405	26 248,560
GS-11. \$7,560 to \$8,860.....	27 213,447	25 200,385	28 227,198
GS-9. \$6,435 to \$7,425.....	18 121,847	25 166,504	26 177,300
GS-7. \$5,355 to \$6,345.....	10 59,341	11 65,021	11 66,165
GS-6. \$4,830 to \$5,820.....	21 119,205	21 120,037	21 120,681
GS-5. \$4,345 to \$5,335.....	52 260,838	51 258,156	51 263,483
GS-4. \$4,040 to \$4,670.....	90 403,520	99 442,416	108 485,888
GS-3. \$3,760 to \$4,390.....	37 144,000	27 105,899	27 108,104
GS-2. \$3,500 to \$4,130.....	6 23,586	6 23,898	6 23,898
Total permanent.....	423 3,254,201	428 3,326,745	446 3,494,377
Deduct lapses.....	26 166,544	13 66,675	14 112,077
Net permanent (average number, net salary): United States and possessions.....	397 3,087,657	415 3,260,070	432 3,382,300
Positions other than permanent:			
Temporary employment.....	2,012	2,000	2,000
Part-time employment.....	9,847	12,000	12,000
Intermittent employment.....	657	1,000	1,000
Other personnel compensation:			
Regular pay above 52-week base.....	13,659		
Additional pay for service abroad.....	2,950	2,700	2,700
Overtime and holiday pay.....	909		
Payments to other agencies for reimbursable details.....	230		
Total personnel compensation.....	3,117,921	3,277,770	3,400,000

	1961 actual	1962 estimate	1963 estimate
Salaries are distributed as follows:			
"Salaries and expenses," Office of the General Counsel.....	\$3,021,571	\$3,148,000	\$3,275,000
"Emergency credit revolving fund," Farmers Home Administration.....	14,771	27,170	27,000
"Conservation reserve," Agricultural Stabilization and Conservation Service.....	81,579	102,600	98,000

OFFICE OF INFORMATION**CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE OFFICE OF INFORMATION**

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-16. \$15,255 to \$16,295:			
Director of Information.....	1 \$16,307	1 \$16,307	1 \$16,307
GS-15. \$13,730 to \$15,030:			
Assistant director of information.....	3 44,782	3 45,385	3 45,385
GS-14. \$12,210 to \$13,510:			
Chief of division.....	7 90,250	7 90,500	7 90,770
Editor of yearbook.....	1 13,000	1 13,270	1 13,270
Executive assistant to the director.....	1 12,750	1 12,750	1 13,000
GS-13. \$10,635 to \$11,935.....	17 192,153	21 235,522	20 226,637
GS-12. \$8,955 to \$10,255.....	20 191,590	19 180,795	18 173,930
GS-11. \$7,560 to \$8,860.....	19 156,499	21 173,201	20 167,170
GS-9. \$6,435 to \$7,425.....	29 201,512	31 213,930	31 218,151
GS-8. \$5,885 to \$6,875.....	1 6,885	1 6,885	1 6,885
GS-7. \$5,355 to \$6,345.....	35 210,162	32 192,397	32 196,207
GS-6. \$4,830 to \$5,820.....	7 38,980	8 42,992	8 43,827
GS-5. \$4,345 to \$5,335.....	32 161,245	33 167,771	33 170,421
GS-4. \$4,040 to \$4,670.....	44 196,352	45 197,912	44 196,560
GS-3. \$3,760 to \$4,390.....	19 75,654	19 76,195	20 81,749
GS-2. \$3,500 to \$4,130.....	6 22,026	7 25,541	7 26,151
GS-1. \$3,185 to \$3,815.....	1 3,203	1 3,411	1 3,515
Ungraded positions at hourly rates equivalent to less than \$12,210.....	7 35,150	7 35,150	7 35,150
Total permanent.....	250 1,668,500	258 1,729,914	255 1,725,085
Deduct—			
Lapses.....	9.8 75,020	12.5 86,983	12.5 95,425
Portion of salaries shown above paid from other accounts.....	0.5 4,395	0.5 4,931	0.5 4,660
Net permanent (average number, net salary).....	239.7 1,589,085	245.0 1,638,000	242.0 1,625,000
Positions other than permanent:			
Temporary employment.....	13,429	9,000	10,000
Intermittent employment.....	564	1,000	1,000
Other personnel compensation: Regular pay in excess of 52-week base.....	5,584		
Overtime and holiday pay.....	29,927	22,000	20,000
Payments to other agencies for reimbursable details.....	12,911		
Deduct excess of annual leave taken over leave earned.....	4,393		
Total personnel compensation.....	1,647,107	1,670,000	1,656,000
Salaries and wages distributed as follows:			
"Salaries and expenses".....	\$811,372	\$841,000	\$841,000
"Advances and reimbursements".....	90,737	75,000	75,000
"Great Plains conservation program".....	9,876	10,000	10,000
"Working capital fund, Department of Agriculture".....	735,122	730,000	730,000
"Emergency fund for the President, National Defense".....		14,000	

CENTENNIAL OBSERVANCE OF AGRICULTURE**SALARIES AND EXPENSES**

	1961 actual	1962 estimate	1963 estimate
	Num- Total ber salary	Num- Total ber salary	Num- Total ber salary
Grades and ranges:			
GS-14. \$12,210 to \$13,510:			
Chief of division.....		1 \$12,230	1 \$12,230
GS-11. \$7,560 to \$8,860.....		1 7,571	1 7,571
GS-7. \$5,355 to \$6,345.....		1 5,366	1 5,366
Total permanent.....		3 25,167	3 25,167
Deduct lapses.....		167	2 12,167
Net permanent (average number, net salary).....		3 25,000	1 13,000
Positions other than permanent: Temporary employment.....		1,000	
Total personnel compensation.....		26,000	13,000

NATIONAL AGRICULTURAL LIBRARY

SALARIES AND EXPENSES

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-16. \$15,255 to \$16,295:						
Director.....	1	\$15,517	1	\$15,787	1	\$16,037
GS-15. \$13,730 to \$15,030:						
Deputy director.....			1	13,749	1	13,749
GS-14. \$12,210 to \$13,510:						
Assistant director.....			3	36,690	4	48,920
GS-13. \$10,635 to \$11,935:	4	42,600	7	76,608	6	66,749
GS-12. \$8,955 to \$10,255:	7	65,895	8	73,030	5	46,675
GS-11. \$7,560 to \$8,860:	20	153,960	19	149,199	26	206,106
GS-9. \$6,435 to \$7,425:	18	121,659	16	109,097	19	129,937
GS-7. \$5,355 to \$6,345:	17	95,553	14	81,120	16	92,518
GS-6. \$4,830 to \$5,820:	5	27,666	6	34,112	6	34,612
GS-5. \$4,345 to \$5,335:	21	104,598	27	132,018	28	140,031
GS-4. \$4,040 to \$4,670:	25	112,112	22	98,488	26	115,752
GS-3. \$3,760 to \$4,390:	34	136,748	32	128,760	38	153,784
GS-2. \$3,500 to \$4,130:	12	43,948	6	21,714	6	22,130
Total permanent.....	164	920,256	162	970,372	182	1,087,000
Deduct—						
Lapses.....	33.1	167,468	29.7	152,213	30.6	156,900
Portion of salaries shown above paid from other accounts.....	1.9	9,558				
Add portion of salaries carried in other position schedules paid from this account.....	1	8,355	0.5	3,841	0.5	4,900
Net permanent (average number, net salary).....	130	751,585	132.8	822,000	151.9	935,000
Positions other than permanent:						
Temporary employment.....		4,479		4,500		4,500
Intermittent employment.....		4,348				
Other personnel compensation:						
Regular pay above 52-week base.....		3,057				
Overtime and holiday pay.....		542		500		500
Total personnel compensation.....		764,011		827,000		940,000

ADVANCES AND REIMBURSEMENTS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-11. \$7,560 to \$8,860:	1	\$7,821	1	\$7,571	1	\$7,821
GS-9. \$6,435 to \$7,425:	1	7,426	2	13,874	2	13,874
GS-7. \$5,355 to \$6,345:	5	29,993	4	24,128	4	24,439
GS-5. \$4,345 to \$5,335:	2	9,193				
GS-4. \$4,040 to \$4,670:	2	8,736	2	9,048	2	9,152
GS-3. \$3,760 to \$4,390:	6	24,858	5	20,968	4	17,307
GS-2. \$3,500 to \$4,130:	2	7,030	1	3,619	1	3,723
Total permanent.....	19	95,057	15	79,208	14	76,316
Deduct—						
Lapses.....	5.2	24,706		273		100
Portion of salaries shown above paid from other accounts.....	0.4	1,687	0.5	3,841	0.5	3,910
Add portion of salaries carried in other position schedules paid from this account.....	1.5	8,082				
Net permanent (average number, net salary).....	14.9	76,746	14.5	75,094	13.5	72,306
Positions other than permanent: Tempo- rary employment.....		11,556		16,016		
Other personnel compensation:						
Regular pay above 52-week base.....		325				
Overtime and holiday pay.....		93				
Total personnel compensation.....		88,720		91,110		72,306

GENERAL ADMINISTRATION

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO GENERAL ADMINISTRATION

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Secretary of Agriculture.....	1	\$25,000	1	\$25,000	1	\$25,000
Under secretary of Agriculture.....	1	21,000	1	21,000	1	21,000
Assistant secretary of Agriculture.....	3	60,000	3	60,000	3	60,000
Administrative assistant secretary.....	1	19,011	1	19,011	1	19,011
GS-18. \$18,500:						
Director, Agricultural Credit Services.....	1	18,512	1	18,512	1	18,512
Director, Agricultural Economics.....	1	18,512	1	18,512	1	18,512
Executive assistant, chief of staff.....	1	18,512	1	18,512	1	18,512

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges—Continued						
GS-17. \$16,530 to \$17,570:						
Assistant to the secretary.....	2	\$33,072	2	\$33,072	2	\$33,072
Director of finance and budget officer.....	1	16,806	1	17,056	1	17,056
Director of personnel.....	1	16,536	1	16,536	1	16,536
Judicial officer.....	1	17,056	1	17,326	1	17,326
GS-16. \$15,255 to \$16,295:						
Director of plant and operations.....	1	15,517	1	15,787	1	16,037
GS-15. \$13,730 to \$15,030:						
Administrative assistant.....	6	83,139	7	97,200	7	97,200
Assistant director of personnel.....	2	28,788	2	28,788	2	28,788
Assistant director of plant and operations.....	2	27,810	2	28,455	2	28,455
Assistant director, rural areas development.....			2	30,076	3	44,137
Assistant to the assistant secretary.....					3	41,247
Assistant to the director, rural areas development.....			1	13,749	1	13,749
Assistant to the director of agricultural economics.....					1	13,749
Assistant to the director, budget and finance.....			1	14,394	1	14,394
Assistant to the judicial officer.....	1	13,749	1	14,061	1	14,061
Assistant to the secretary.....					3	41,247
Assistant to the under secretary.....					1	13,749
Budget examiner.....					2	27,498
Deputy director, budget and finance.....	2	30,076	2	30,347	2	30,618
Deputy director, management appraisal and systems development.....					1	13,749
Director, management appraisal and systems development.....					1	13,749
Director of administrative management.....	1	14,061				
Director, office of rural areas development.....			1	15,038	1	15,038
Field representatives.....			7	99,612	6	85,719
Hearing examiner.....	5	74,546	5	74,858	5	74,858
Management analyst.....					2	27,498
Program staff officer.....	1	14,706	1	15,038	1	15,038
GS-14. \$12,210 to \$13,510:						
Administrative assistant.....	2	24,710	2	25,750	2	25,750
Assistant director of administrative management.....	1	12,750				
Assistant director of plant and operations.....	1	12,480	1	12,750	1	13,000
Budget examiner.....					1	12,230
Chief of division, budget and finance.....	5	65,290	5	65,810	5	66,330
Chief of division, personnel.....	7	92,080	7	91,560	7	91,560
Chief of division, plant and operations.....	1	13,520	2	25,750	2	25,750
Management analyst.....					3	36,650
Personnel officer.....	1	12,480	1	12,480	1	12,480
Program analyst.....	3	37,730	3	38,480	3	38,480
GS-13. \$10,635 to \$11,935:	30	334,968	33	366,896	37	410,536
GS-12. \$8,955 to \$10,255:	31	293,655	29	276,995	31	296,215
GS-11. \$7,560 to \$8,860:	15	123,155	20	162,260	21	169,311
GS-9. \$6,435 to \$7,425:	31	215,220	31	212,827	33	226,721
GS-8. \$5,885 to \$6,875:	3	19,989	3	20,321	3	20,655
GS-7. \$5,355 to \$6,345:	35	210,806	47	278,859	54	318,421
GS-6. \$4,830 to \$5,820:	15	80,206	14	76,534	14	76,534
GS-5. \$4,345 to \$5,335:	50	249,810	41	207,027	43	215,717
GS-4. \$4,040 to \$4,670:	20	87,256	26	111,696	26	112,216
GS-3. \$3,760 to \$4,390:	20	82,665	22	90,528	22	90,944
GS-2. \$3,500 to \$4,130:	9	35,067	9	34,235	9	34,339
Ungraded positions at hourly rates equivalent to less than \$12,210.....	7	29,222	7	30,723	7	30,723
Total permanent.....	322	2,599,468	350	2,883,721	386	3,259,977
Deduct lapses.....	16.1	105,855	13.8	92,546	10.8	64,081
Net permanent (average number, net salary).....	305.9	2,493,613	336.2	2,791,175	375.2	3,195,896
Positions other than permanent:						
Temporary employment.....		12,414		3,400		
Intermittent employment.....		4,480		5,000		5,000
Other personnel compensation:						
Regular pay above 52-week base.....		9,029				
Overtime and holiday pay.....		11,311		10,500		10,500
Nightwork differential.....		715		1,500		1,500
Payments to other agencies for reimbursable details.....		1,761				
Total personnel compensation.....		2,533,323		2,811,575		3,212,896
Salaries and wages are distributed as follows:						
"Salaries and expenses".....		\$2,520,761		\$2,590,900		\$3,037,931
"Advances and reimbursements".....		12,562		220,675		174,965

WORKING CAPITAL FUND

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-14. \$12,210 to \$13,510:						
Chief of Division.....	1	\$12,230	1	\$12,480	1	\$12,750
GS-13. \$10,635 to \$11,935:			1	10,650	1	10,899
GS-12. \$8,955 to \$10,255:	1	9,485				
GS-11. \$7,560 to \$8,860:	2	15,662	2	15,392	2	15,392
GS-9. \$6,435 to \$7,425:	3	20,738	2	13,894	2	14,040
GS-7. \$5,355 to \$6,345:	7	43,369	8	49,524	8	49,690
GS-6. \$4,830 to \$5,820:	1	8,524	1	5,824	1	5,824

GENERAL ADMINISTRATION—Continued

WORKING CAPITAL FUND—Continued

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges—Continued						
GS-5, \$4,345 to \$5,335	10	\$52,127	10	\$52,292	10	\$52,292
GS-4, \$4,040 to \$4,670	10	45,157	8	37,024	8	37,128
GS-3, \$3,760 to \$4,390	14	57,724	13	53,855	13	53,959
GS-2, \$3,500 to \$4,130	11	43,241	13	49,959	13	49,959
GS-1, \$3,185 to \$3,815	6	23,690	6	23,898	6	23,898
Ungraded positions at hourly rates equivalent to less than \$12,210	100	485,063	101	524,580	101	525,224
Total permanent	166	814,310	166	849,372	166	851,055
Deduct:						
Lapses	6.1	22,320	8	40,838	8	41,867
Portion of salaries shown above paid from other accounts	0.2	733				
Add portion of salaries carried in other position schedules paid from this account	0.3	1,229	45			
Net permanent (average number, net salary)	160	792,486	158	808,579	158	809,188
Other personnel compensation:						
Regular pay above 52 week base		2,906				
Overtime and holiday pay		22,180		22,000		22,000
Nightwork differential		979		1,000		1,000
Excess of annual leave earned over leave taken		5,422				
Total personnel compensation		823,973		831,579		832,188

FOREST SERVICE

CONSOLIDATED SCHEDULE OF PERSONNEL COMPENSATION PAID FROM FUNDS AVAILABLE TO THE FOREST SERVICE

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
FOREST SERVICE						
Grades and ranges:						
Special positions at rates equal to or in excess of \$18,500:						
Chief	1	\$17,514	1	\$19,000	1	\$19,000
GS-17, \$16,530 to \$17,570:						
Assistant chief	3	51,438	3	51,978	3	51,978
GS-16, \$15,255 to \$16,295:						
Assistant chief	3	47,861	3	48,131	3	48,131
Deputy assistant chief	1	15,517	1	15,787	1	15,787
GS-15, \$13,730 to \$15,030:						
Administrative officer	2	28,455	2	28,122	2	28,122
Deputy assistant chief	3	42,204	3	42,204	3	42,204
Deputy regional forester	2	28,767	2	27,498	2	27,498
Director, forest experiment station	9	132,765	9	133,389	9	133,389
Director, forest products laboratory	1	14,061	1	14,394	1	14,394
Division director	2	28,767	2	29,100	2	29,100
Engineer	1	15,038	1	15,038	1	15,038
Entomologist	1	14,061	1	14,394	1	14,394
Forester	19	268,929	19	271,154	19	271,154
Information officer	1	14,394	1	14,394	1	14,394
Management analysis officer	1	13,749	1	14,061	1	14,061
Mathematical statistician	1	14,394	1	13,749	1	13,749
Personnel officer	1	13,749	1	14,061	1	14,061
Plant pathologist	1	14,061	1	14,394	1	14,394
Range conservationist	1	14,061	1	14,394	1	14,394
Regional forester	10	147,784	10	147,702	10	147,702
Research forester	5	69,681	4	56,286	4	56,286
Technologist	1	14,061	1	14,061	1	14,061
GS-14, \$12,210 to \$13,510:						
Accountant	4	49,920	4	50,730	4	50,730
Administrative officer	2	24,710	2	25,230	2	25,230
Air operations officer			1	12,230	1	12,230
Assistant director, forest products laboratory	1	13,520	1	13,520	1	13,520
Assistant regional forester	81		86		86	
Budget officer	1	1,026,370	1	1,092,620	1	1,092,620
Cartographer	1	12,480	1	12,750	1	12,750
Chemist	2	26,000				
Civil engineer	1	13,520	3	37,980	3	37,980
Director, forest experiment station	2	27,040	5	64,770	5	64,770
Director, tropical forestry	1	12,480	1	12,230	1	12,230
Editor	1	12,480	1	12,480	1	12,480
Educationist	1	12,480	1	12,480	1	12,480
Electronics engineer	1	13,520	1	13,520	1	13,520
Employee development officer	1	12,230	1	12,480	1	12,480
Engineer	6	78,540	7	90,500	7	90,500
Entomologist	11	137,030	11	139,730	11	139,730
Fiscal auditor	1	12,750	1	12,750	1	12,750
Forest economist	1	13,000	2	25,500	2	25,500
Forest products technologist	6	77,770	6	78,790	6	78,790
Forester	42	524,420	43	539,500	43	539,500
Forest supervisor	1	12,230	6	73,380	6	73,380
Information specialist	3	37,190	3	37,730	3	37,730
Management analyst	4	49,670	4	49,690	4	49,690

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
FOREST SERVICE—continued						
Grades and ranges—Continued						
GS-14, \$12,210 to \$13,510—Continued						
Mathematical statistician	3	\$36,940	3	\$36,690	3	\$36,690
Mechanical engineer	1	12,750	2	25,230	2	25,230
Meteorologist			1	12,230	1	12,230
Office services manager	1	12,230	1	12,480	1	12,480
Personnel officer	4	49,920	4	50,460	4	50,460
Physicist	1	12,230	2	24,460	2	24,460
Plant pathologist	10	124,570	11	138,130	11	138,130
Plant physiologist	1	12,230				
Procurement officer	1	12,230	1	12,480	1	12,480
Property management officer	1	12,230	1	12,480	1	12,480
Range conservationist	7	87,380	7	89,230	7	89,230
Research forester	43	538,590	44	555,370	47	592,060
Soil scientist	1	12,480	1	12,750	1	12,750
Technologist	6	79,830	6	80,350	6	80,350
GS-13, \$10,635 to \$11,935	537		608		625	
GS-12, \$8,955 to \$10,255	1,008	5,913,704	1,097	6,717,014	1,142	6,898,064
GS-11, \$7,560 to \$8,860	1,634	9,463,657	1,787	10,330,842	1,855	10,734,267
GS-10, \$6,995 to \$7,985	11	13,187,205	11	14,419,244	11	14,934,072
GS-9, \$5,435 to \$7,425	1,863	81,225	2,061	83,214	2,148	83,214
GS-8, \$5,885 to \$6,875		12,668,542		13,980,152		14,541,128
GS-7, \$5,355 to \$6,345	2,422	36,228,647	2,750	33,212,069	2,864	33,212,069
GS-6, \$4,830 to \$5,820	490	14,100,475	502	16,007,467	502	16,619,191
GS-5, \$4,345 to \$5,335	2,007	2,579,543	2,338	2,679,110	2,462	2,679,110
GS-4, \$4,040 to \$4,670	2,016	9,682,512	2,248	11,323,213	2,302	11,862,241
GS-3, \$3,760 to \$4,390	1,821	8,789,305	2,056	9,802,525	2,075	10,021,549
GS-2, \$3,500 to \$4,130	340	7,201,467	354	8,294,415	356	8,365,950
GS-1, \$3,185 to \$3,815	16	1,220,603	15	1,283,099	15	1,290,129
Grades established by act of June 20, 1958 (72 Stat. 213) and act of Sept. 23, 1959 (73 Stat. 651):		55,096		50,835		50,835
Forest products technologist	1	15,000	2	32,000	2	32,000
Physical chemist	1	15,504	1	15,504	1	15,504
Ungraded positions at annual rates less than \$12,210	1,257	6,196,560	1,272	6,594,691	1,278	6,625,663
Ungraded positions at hourly rates equivalent to less than \$12,210	599	2,680,112	619	2,945,432	619	2,945,432
Total permanent	16,381	98,274,661	18,099	109,279,797	18,638	112,456,079
Deduct lapses	1,407.2	7,172,993	1,356.9	6,658,797	1,414.1	6,988,079
Net permanent (average number, net salary)	14,973.8	91,101,668	16,742.1	103,621,000	17,223.9	106,468,000
Positions other than permanent:						
Temporary employment	25,708,346		31,032,000		34,889,000	
Part-time employment	843,077		991,000		1,801,000	
Intermittent employment	6,597,902		8,684,000		8,684,000	
Other personnel compensation:						
Regular pay above 52-week base	360,247					
Overtime and holiday pay	6,423,745		2,500,000		2,542,000	
Nightwork differential	91,583		107,000		109,000	
Additional pay for service abroad	340,971		421,000		428,000	
Payments to casual workers	8,550,860		972,000		996,000	
Payments to prison inmates	42,242		14,000		14,000	
Payments to other agencies for reimbursable details	52,315		57,000		57,000	
Total personnel compensation, Forest Service	140,112,956		148,399,000		155,988,000	
Salaries and wages are distributed as follows:						
"Forest protection and utilization"	90,748,988		93,901,000		100,554,000	
"Forest roads and trails"	21,665,582		24,146,000		24,416,000	
"Acquisition of lands for national forests, special acts"	567		1,000		1,000	
"Acquisition of lands for national forests, Superior National Forest"	13,425		17,000		20,000	
"Assistance to States for tree planting"			57,000		57,000	
"Expenses, brush disposal"	4,624,752		5,484,000		5,826,000	
"Other Forest Service permanent appropriations"	16,301		100,000		100,000	
"Working capital fund," Forest Service	5,985,015		6,408,000		6,600,000	
"Advances and reimbursements"	1,937,887		2,493,000		2,493,000	
"Forest Service trust funds"	13,066,080		13,492,000		13,725,000	
Allotment from—						
"Flood prevention," Soil Conservation Service	1,351,110		1,494,000		1,424,000	
"Watershed protection," Soil Conservation Service	433,182		600,000		564,000	
"Agricultural conservation program," Agricultural Stabilization and Conservation Service	106,564		108,000		108,000	
"Conservation reserve program," Agricultural Stabilization and Conservation Service	103,080		31,000		31,000	
"Great Plains conservation program," Soil Conservation Service	10,423		15,000		15,000	
"Oregon and California grant lands," Bureau of Land Management, Department of the Interior			52,000		54,000	

	1961 actual	1962 estimate	1963 estimate		1961 actual	1962 estimate	1963 estimate
ALLOCATION TO THE DEPARTMENT OF THE INTERIOR	Num-ber Total salary	Num-ber Total salary	Num-ber Total salary	ALLOTMENT TO FARMERS HOME ADMINISTRATION	Num-ber Total salary	Num-ber Total salary	Num-ber Total salary
Grades and ranges:				Grades and ranges:			
GS-11. \$7,560 to \$8,860		1 \$7,571	1 \$7,821	GS-15. \$13,730 to \$15,030:			
GS-9. \$6,435 to \$7,425	2 \$14,206	2 13,874	2 14,040	Director, rural areas development division		1 \$13,749	
GS-7. \$5,355 to \$6,345	1 5,699	1 5,866	1 6,032	GS-13. \$10,635 to \$11,935		3 32,718	
GS-4. \$4,040 to \$4,670		1 4,264	1 4,264	GS-12. \$8,955 to \$10,255		1 10,005	
GS-3. \$3,760 to \$4,390	1 3,765	1 3,765	1 3,765	GS-11. \$7,560 to \$8,860		6 50,606	
Ungraded positions at hourly rates equivalent to less than \$12,210	9 43,054	8 40,720	8 40,720	GS-6. \$4,830 to \$5,820		1 5,824	
Total permanent	13 66,724	13 71,796	14 76,642	GS-4. \$4,040 to \$4,670		2 8,112	
Deduct lapses	0.9 5,992	0.9 4,847	0.9 4,847	GS-3. \$3,760 to \$4,390		1 3,075	
Add portion of salaries carried in other position schedules paid from this account	6.5 26,384	6.9 27,544	7.4 29,094	Total permanent		15 124,089	
Net permanent (average number, net salary)	18.6 87,116	19.0 94,493	20.5 100,889	Deduct—			
Positions other than permanent:				Lapses		4.8 34,563	
Temporary employment	228,049	312,235	375,005	Portion of salaries shown above paid from other accounts		1.1 11,003	
Part-time employment	68			Add portion of salaries carried in other position schedules paid from this account		5.8 33,305	
Intermittent employment	7,439	6,953	6,953	Total personnel compensation		111,828	
Other personnel compensation:				ALLOTMENT TO OFFICE OF THE GENERAL COUNSEL			
Regular pay above 52-week base	295			Grades and ranges:			
Overtime and holiday pay	32,068	26,000	18,400	GS-15. \$13,730 to \$15,030:		1 13,749	
Total personnel compensation, Department of the Interior	355,035	439,681	501,247	Attorney			
ALLOTMENT TO EXTENSION SERVICE				Total permanent		1 13,749	
Grades and ranges:				Deduct lapses		0.7 9,549	
GS-15. \$13,730 to \$15,030:				Total personnel compensation		4,200	
Agricultural extension specialist in program leadership		1 \$15,038					
GS-13. \$10,635 to \$11,935		1 11,419					
GS-7. \$5,355 to \$6,345		1 6,032					
GS-5. \$4,345 to \$5,335		1 4,847					
Total permanent		4 36,836					
Deduct lapses		1.6 14,190					
Total personnel compensation		22,646					

TRUST FUNDS

DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

STATE RURAL REHABILITATION FUNDS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-11. \$7,560 to \$8,860.....	2	\$18,262	1	\$9,651	1	\$9,651
GS-9. \$6,435 to \$7,425.....	3	19,510				
GS-7. \$5,355 to \$6,345.....	7	41,521	11	65,999	9	55,031
GS-5. \$4,345 to \$5,335.....	2	9,692	1	5,346	1	5,346
GS-4. \$4,040 to \$4,670.....	9	40,960	9	41,538	9	41,954
GS-3. \$3,670 to \$4,390.....	1	4,080	2	7,946	2	8,175
Total permanent.....	24	134,025	24	130,480	22	120,157
Deduct—						
Lapses.....			1	6,000	0.9	4,967
Portion of salaries shown above paid from other accounts.....	4.9	25,111				
Add terminal leave in excess of lapses.....	0.1	25				
Add portion of salaries carried in other position schedules paid from this account.....	3.7	17,377				
Net permanent (average number, net salary).....	22.9	126,316	23	124,480	21.1	115,190
Other personnel compensation: Regular pay above 52-week base.....		387				
Total personnel compensation.....		126,703		124,480		115,190

NATIONAL AGRICULTURAL LIBRARY

MISCELLANEOUS CONTRIBUTED FUNDS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-6. \$4,830 to \$5,820.....			1	\$4,846	1	\$4,846
GS-4. \$4,040 to \$4,670.....			1	4,056	1	4,056
GS-3. \$3,760 to \$4,390.....			1	3,765	1	3,765
Total permanent.....			3	12,667	3	12,667
Deduct lapses.....			1.8	7,367	1.2	5,267
Total personnel compensation.....				5,300		7,400

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PUBLIC HEALTH SERVICE

PUBLIC HEALTH SERVICE TRUST FUNDS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-11. \$7,560 to \$8,860.....	2	\$15,392	1	\$8,091	1	\$8,091
GS-7. \$5,355 to \$6,345.....	1	5,699	1	5,866	1	5,866
GS-3. \$3,760 to \$4,390.....			2	7,530	1	3,765
Total permanent.....	3	21,091	4	21,487	3	17,722
Deduct lapses.....	0.2	1,318	0.6	3,187	0.5	3,122
Net permanent (average number, net salary).....	2.8	19,773	3.4	18,300	2.5	14,600
Positions other than permanent:						
Temporary employment.....		2,262		3,500		
Intermittent employment.....		37,136		18,920		9,700
Other personnel compensation:						
Regular pay above 52-week base.....		97				
Total personnel compensation.....		59,268		40,720		24,300

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

INDIAN MONEYS, PROCEEDS OF LABOR, AGENCIES, SCHOOLS, ETC.

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-14. \$12,210 to \$13,510: Superintendent.....			1	\$12,230	1	\$12,230
GS-13. \$10,635 to \$11,935.....	1	\$11,419	1	11,690	1	11,690
GS-12. \$8,955 to \$10,255.....	2	18,200	2	18,470	2	18,470
GS-11. \$7,560 to \$8,860.....	2	16,682	3	23,733	3	23,993
GS-9. \$6,435 to \$7,425.....	4	27,776	4	26,790	4	26,955
GS-7. \$5,355 to \$6,345.....	2	12,064	2	12,962	4	24,127
GS-6. \$4,830 to \$5,820.....	1	5,658	2	10,692	2	10,692
GS-5. \$4,345 to \$5,335.....	8	41,970	7	35,007	7	35,007
GS-4. \$4,040 to \$4,670.....	8	35,360	13	57,096	13	57,096
GS-3. \$3,760 to \$4,390.....	18	76,527	19	76,632	19	76,632
GS-2. \$3,500 to \$4,130.....	12	47,508	9	33,507	9	33,507
GS-1. \$3,185 to \$3,815.....	2	6,614	2	6,510	2	6,510
Ungraded positions at hourly rates equivalent to \$12,210 or above:						
Master (captain).....	1	13,261	1	13,924	1	14,892
Chief engineer.....	1	12,894	1	13,539	1	14,592
Ungraded positions at hourly rates equivalent to less than \$12,210.....	90	486,741	82	464,973	76	431,974
Total permanent.....	152	812,674	151	828,755	145	798,367
Deduct—						
Lapses.....		26.8 136,714		21.2 109,231		20 103,732
Portion of salaries shown above paid from other accounts.....		0.9 4,921		1 4,610		
Add portion of salaries carried in other schedules paid from this account.....		17.4 78,352		17.3 79,306		17.3 79,306
Net permanent (average number, net salary).....	141.7	749,391	146.1	794,220	142.3	773,941
Positions other than permanent:						
Temporary employment.....		83,848		58,357		46,360
Part-time employment.....		3,918				
Intermittent employment.....		17,209		9,947		5,332
Other personnel compensation:						
Regular pay above 52-week base.....		2,382				
Overtime and holiday pay.....		99,647		102,279		108,193
Nightwork differential.....		1,004		754		743
Total personnel compensation.....		957,399		965,557		934,569

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

COMMISSARY FUNDS

	1961 actual		1962 estimate		1963 estimate	
	Num- ber	Total salary	Num- ber	Total salary	Num- ber	Total salary
Grades and ranges:						
GS-9. \$6,435 to \$7,425.....	1	\$8,611	1	\$8,714	1	\$8,861
GS-7. \$5,355 to \$6,345.....	15	88,482	15	91,260	17	101,758
GS-6. \$4,830 to \$5,820.....	26	147,872	26	149,646	26	152,160
GS-5. \$4,345 to \$5,335.....	13	64,833	13	65,611	13	66,713
Total permanent.....	55	309,798	55	315,231	57	329,492
Deduct lapses.....	1	5,723		231	1.1	6,492
Net permanent.....	54	304,075	55	315,000	55.9	323,000
Other personnel compensation:						
Regular pay above 52-week base.....		2,608				
Overtime and holiday pay.....		5,418		6,000		7,000
Nightwork differential.....		571		2,000		2,000
Total personnel compensation.....		312,672		323,000		332,000

FUNDS APPROPRIATED TO THE PRESIDENT

STATEMENT OF PROPOSED OBLIGATIONS FOR PURCHASE AND HIRE OF PASSENGER MOTOR VEHICLES FOR THE FISCAL YEAR 1963

Appropriation or fund	Motor vehicles to be purchased					Old vehicles still to be used	Cost of hire		Users and public purpose
	Number		Cost				Interagency motor pools	Commercial sources	
	Replacement	Additional	Gross	Allowance	Net				
FOREIGN ASSISTANCE—ECONOMIC									
Administrative expenses-----	37		\$67,000	\$40,800	\$26,200	209	\$1,125	\$4,344	
Station wagon-----	20		39,000	13,130	25,870	77	380		
Bus-----						3			
Total, foreign assistance—economic.	57		106,000	53,930	52,070	289	1,505	4,344	
PEACE CORPS									
Funds appropriated to the President-----		20	50,000		50,000	16	2,200		Official transportation of Peace Corps representatives to and from foreign offices and Peace Corps office overseas. Also to inspect Peace Corps regional training sites.
Total funds appropriated to the President-----	57	20	156,000	53,930	102,070	305	3,705	4,344	

¹ All motor vehicles to be purchased are operated in foreign countries.² These vehicles are operated in Washington area only.³ 2 vehicles leased and are assigned to Administrator's office, for use in Washington only.

DEPARTMENT OF AGRICULTURE

STATEMENT OF PROPOSED OBLIGATIONS FOR PURCHASE AND HIRE OF PASSENGER MOTOR VEHICLES FOR THE FISCAL YEAR 1963

Appropriation or fund	Motor vehicles to be purchased					Old vehicles still to be used	Cost of hire		Users and public purpose
	Number		Cost				Interagency motor pools	Commercial sources	
	Replacement	Additional	Gross	Allowance	Net				
AGRICULTURAL RESEARCH SERVICE									
Salaries and expenses: Research.....	74	2	\$114,000	\$19,630	\$94,370	288	\$25,000	\$2,500	Scientific and technical personnel: For necessary field travel in carrying out research programs on agricultural problems relating to production and utilization of agricultural products, including use of 1 automobile at National Arboretum in Washington, D.C. Do.
Station wagon.....	4		7,800	1,100	6,700	42	8,200		
Ambulance.....						1			
Bus.....						6			Officials and employees at Plum Island, N.Y., foot-and-mouth research laboratory: For use of employees who may require ambulance service. No private vehicles allowed on island.
Plant and animal disease and pest control.	140	12	228,000	59,550	168,450	533	248,600	1,600	Officials and employees at Plum Island, N.Y., foot-and-mouth research laboratory: For use in transporting employees from ferry to laboratory and return. No private vehicles allowed on island.
Station wagon.....						4	7,100		Inspection personnel and control supervisors: Transportation to farms, ranches, and other premises in field and urban locations in carrying out plant and animal disease and pest control, including inspection and quarantine work. Do.
Meat inspection.....							41,200	900	
Working capital fund, Agricultural Research Center.						5			Inspection personnel: Transportation to slaughterhouses and meatpacking plants in urban centers, including field station in District of Columbia, in carrying out provisions of laws relating to Federal inspection of meat and meat food products.
Total, Agricultural Research Service.	218	14	349,800	80,280	269,520	879	330,100	5,000	Superintendent, engineers, and other officials: Transportation in supervising and inspecting maintenance and operation of agricultural research center and for transporting officials and visiting agricultural leaders to and from various sections of the center.
EXTENSION SERVICE									
Cooperative extension work, payments and expenses.....							1,000		District of Columbia staff officials: Official transportation while on special assignments in the field. Do.
Station wagon.....							250		
Bus.....								4,300	
Total, Extension Service.....							1,250	4,300	4-H Club delegates and leaders: For transportation during the annual National 4-H Club Conference.

4-H Club delegates and leaders: For transportation during the annual National 4-H Club Conference.

DEPARTMENT OF AGRICULTURE—Continued

STATEMENT OF PROPOSED OBLIGATIONS FOR PURCHASE AND HIRE OF PASSENGER MOTOR VEHICLES FOR THE FISCAL YEAR 1963—Continued

Appropriation or fund	Motor vehicles to be purchased					Old vehicles still to be used	Cost of hire		Users and public purpose
	Number		Cost				Interagency motor pools	Commercial sources	
	Replacement	Additional	Gross	Allowance	Net				
SOIL CONSERVATION SERVICE									
Conservation operations.....	145		\$216,700	\$49,800	\$166,900	570	\$126,400		State and area conservationists, technical specialists, and survey supervisors: Supervision and inspection of service activities in conservation districts.
Station wagon.....						10	6,100		Do.
Bus.....						1			Service personnel: Transportation in connection with training center operations.
Watershed protection.....	15		22,400	5,200	17,200	46	42,200		Assistant State conservationists for watersheds, watershed party leaders, and technical specialists: Investigations, planning, and installation of works of improvement in authorized projects; negotiating with local sponsors of the projects; investigating the agricultural phases of proposed projects.
Station wagon.....	6		10,800	1,800	9,000	11	3,000		Do.
Flood prevention.....	6		8,900	2,100	6,800	34	12,900		Project personnel: Transportation in connection with planning and installation of works of improvement in authorized flood prevention projects.
Station wagon.....	4		7,200	1,200	6,000	1	400		Do.
Great Plains conservation program.....	4		6,000	1,400	4,600	5	2,300		Assistant State conservationists: Transportation in connection with supervision and inspection of Service activities in the Great Plains conservation program in the field offices of the 10 Great Plains States.
Total, Soil Conservation Service.....	180		272,000	61,500	210,500	678	193,300		
ECONOMIC RESEARCH SERVICE									
Salaries and expenses.....	7		10,500	2,030	8,470	7	4,700	\$360	Research and technical personnel: For necessary field travel in carrying out research programs relating to the agricultural problems of production and utilization and marketing of farm products.
STATISTICAL REPORTING SERVICE									
Salaries and expenses.....	6		9,000	1,950	7,050	18	11,680	790	Statisticians, enumerators, and other field employees at various State offices. For necessary field travel, primarily for conducting enumerative surveys in agricultural areas related to the preparation of crop and livestock estimates.
AGRICULTURAL MARKETING SERVICE									
Marketing research and service:									
Marketing research.....	3		4,500	648	3,852	20	7,300	400	Research specialists: For use in arranging for, directing, and carrying out marketing research programs.
Station wagon.....						7			Research specialists: For transportation of personnel, materials, and commodity samples in carrying out marketing research programs.
Marketing services.....	12	3	22,500	2,592	19,908	43	97,400	2,400	Market news reporters: For use in gathering and disseminating news of market conditions for various farm crops and livestock. Inspectors and graders: For inspection, classing, and grading of farm products, including work required under the Cotton, Tobacco, Naval Stores, and Grain Standards Acts. Marketing specialists, inspectors and graders: Transportation to and from warehouses, stockyards, markets, railroad yards, piers, and other places for licensing or registration, supervision of operations of licensees to assure compliance, collection of samples for testing, handling of violations with respect to the administration of the U.S. Warehouse, Federal Seed, Packers and Stockyards and Naval Stores Acts.
Station wagon.....	2		3,900	1,000	2,900	9			Market news reporters and clerks: For transportation of personnel and material in conducting tobacco market news program. Cotton field representatives: For transportation of personnel and material in carrying out classing and market information programs.
Expenses and refunds in inspection and grading of farm products.	10		15,000	2,160	12,840	61	40,700	400	Inspectors and graders: For use in inspecting and grading farm and food products—paid from fees and charges by users for whom services are performed.
Station wagon.....						4			Do.
Perishable Agricultural Commodities Act fund.							4,100		Marketing specialists: Transportation to and from offices of produce dealers and truckers in investigating complaints and violations and checking establishments for compliance under Perishable Agricultural Commodities, Produce Agency, and Export Apple and Pear Acts—paid from license fees collected.
School lunch program.....							500	1,300	Area supervisors and other officials: For use in technical assistance and administrative reviews of school lunch program.
Removal of surplus agricultural commodities.							3,400	700	Area supervisors and other officials: For transportation in connection with supervision and review of direct distribution programs carried on by State agencies.
Special milk program.....							400	200	Area supervisors and other officials: For use in supervision and review of special milk program operations in the States.
Total, Agricultural Marketing Service.....	27	3	45,900	6,400	39,500	144	153,800	5,400	

DEPARTMENT OF AGRICULTURE—Continued

STATEMENT OF PROPOSED OBLIGATIONS FOR PURCHASE AND HIRE OF PASSENGER MOTOR VEHICLES FOR THE FISCAL YEAR 1963—Continued

Appropriation or fund	Motor vehicles to be purchased					Old vehicles still to be used	Cost of hire		Users and public purpose	
	Number		Cost				Interagency motor pools	Commercial sources		
	Replacement	Additional	Gross	Allowance	Net					
FOREIGN AGRICULTURAL SERVICE										
Salaries and expenses.....							\$700		Administrator and other officials, for Foreign Agricultural Service: Transportation to and from official conferences and meetings in Washington, D.C., with Members of Congress, U.S. Government officials, and officials of international organizations and of foreign governments; trips to and from embassies of foreign governments for visaing of passports; transportation of foreign trainees. Messengers: Delivery of special and classified mail in the Washington area. Do. Do.	
Station wagon.....							450			
Technical cooperation, general, executive (transfer to Agriculture): Station wagon.....							450			
Total, Foreign Agricultural Service.....							1,600			
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE										
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.....						2			Insular office director and field representatives: For travel within Puerto Rico in connection with agricultural conservation, sugar and other assigned duties. Administrator and other officials of Agricultural Stabilization and Conservation Service for transportation to and from official conferences and meetings in Washington, D.C. with Members of Congress, U.S. Government officials and others. Travel of commodity office employees in connection with Commodity Credit Corporation and various ASCS programs. Transportation of mail and supplies and personnel in carrying out Commodity Credit Corporation programs in commodity offices.	
Administrative expenses, Commodity Credit Corporation.....							1,650			
Station wagon.....							600			
Total, Agricultural Stabilization and Conservation Service.....						2	2,250			
FARMERS HOME ADMINISTRATION										
Salaries and expenses.....	4		\$6,000	\$1,600	\$4,400	14	11,500	\$500	State directors and other field officials: Transportation in assisting and advising county supervisors in the investigation of applications, making of loans, rendering farm management assistance to borrowers, and collecting and servicing loans under the various loan programs.	
GENERAL ADMINISTRATION										
Salaries and expenses.....	1		1,500	500	1,000		1,600	500		
OFFICE OF INFORMATION										
Salaries and expenses.....							1,000		Photographers: Transportation to rural areas to photograph agricultural scenes.	
FOREST SERVICE										
Working capital fund.....	119		175,049	42,721	132,328	437			Forest rangers, forest supervisors, regional foresters and directors, and other field officers: For use in the protection, management, utilization, and development of national forests; and in the management of land utilization projects; transportation in connection with forest pest control activities in the field; for use at research center experimental forests and ranges on field research projects and forest survey; travel in connection with improving forest lands; used in directing and inspecting road construction and maintenance. All vehicles will be used in the field. None are to be used in the Washington area. Do. Do. Do. Do.	
Station wagon.....	18		35,478	5,076	30,402	51				
Bns.....		39	57,369		57,369	3	147,537			
Program funds.....		3	5,913		5,913		48,900			
Station wagon.....										
Total, Forest Service.....	137	42	273,809	47,797	226,012	491	196,437			
Total, Department of Agriculture.....	1 580	59	968,509	202,057	766,452	2,233	909,217	16,850		

¹ Includes 10 vehicles to be purchased from funds advanced by producers for whom services are performed. (See item above for "Expenses and refunds, inspection and grading of farm products.")

AIRCRAFT

DEPARTMENT OF AGRICULTURE

STATEMENT OF PROPOSED OBLIGATIONS FOR PURCHASE, MAINTENANCE, AND OPERATION OF AIRCRAFT FOR THE FISCAL YEAR 1963

Appropriation or fund	Aircraft to be purchased					Old aircraft still to be used	Cost of maintenance and operation of aircraft	Users and public purpose
	Number		Cost					
	Replacement	Additional	Gross	Allowance	Net			
AGRICULTURAL RESEARCH SERVICE								Technical employees: For experimentation and development of improved equipment and methods for spraying and dusting crops and for fertilizing, seeding, and performing other agricultural operations with airplanes. Pest control technicians: For demonstrating use of special equipment for suppression of destructive insects attacking crops; and when not otherwise engaged, for supplementing contract aircraft in control operations.
Salaries and expenses: Research.....						4	\$10,000	
Plant and animal disease and pest control.	2		\$36,000	\$10,000	\$26,000	5	25,000	
Total, Agricultural Research Service.	2		36,000	10,000	26,000	9	35,000	
FOREST SERVICE								
Working capital fund.....	1		80,000	5,000	75,000	57	570,000	Forest Service administrative personnel and firefighters: Transportation of men and supplies, including smoke-jumpers, to inaccessible areas for reconnaissance and suppression of large fires, and for detection services in remote areas. For pest control in locating incipient outbreaks and forest insect pests and in appraising the scope and seriousness of infestations in forested areas, and directing and evaluating effectiveness of control operations. Do.
Forest protection and utilization: Forest land management.		2	650,000		650,000			
Total, Forest Service.....	1	2	730,000	5,000	725,000	57	570,000	
Total, Department of Agriculture..	3	2	766,000	15,000	751,000	66	605,000	

DEPARTMENT OF COMMERCE

STATEMENT OF PROPOSED OBLIGATIONS FOR PURCHASE, MAINTENANCE, AND OPERATION OF AIRCRAFT FOR THE FISCAL YEAR 1963

Appropriation or fund	Aircraft to be purchased					Old aircraft still to be used	Cost of maintenance and operation of aircraft	Users and public purpose
	Number		Cost					
	Replacement	Additional	Gross	Allowance	Net			
WEATHER BUREAU								
Salaries and expenses.....						1	\$30,000	Chief, deputy chief, and assistant chief of Bureau, members of chief's staff: For inspection and survey of field installations and operations. Hurricane research project: For investigations of the internal mechanisms of hurricanes and other severe storms. Severe local storm project. For collection of data within storm areas.
Research and development.....		2	\$1,600,000		\$1,600,000	1	¹ 1,089,000	
Do.....							² 78,000	
Total, Department of Commerce..		2	1,600,000		1,600,000	2	1,197,000	

¹ 2 DC-6A/B's Weather Bureau owned (purchase); 1 B-57 Weather Bureau owned (transfer from USAF).

² 1 B-26 leased commercially.

